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ABSTRACT

This facilitator's guide and participant packet were designed to teach women how the U.S. economic system works and were developed by a coalition of more than 40 national religious groups working toward economic justice for women. The facilitator's guide consists of a section explaining the coalition, a section on the development of the materials as part of the Economic Literacy Project, an introduction to the materials, directions for conducting six instructional sessions, and a chart labelled Facilitator's Sample Structure. The titles of the sessions are Making Connections with Ourselves as Economic Persons; Reflecting on Women and Work: Paid and Unpaid Labor; Reflecting on Women and Work: The International Economy; Making the Economic Linkages; Connecting Our Values and the Economic Reality of Women; and Social Action: Determining Your Own Action Possibilities. The directions for how to conduct each session include goals, advance preparation, required materials, instructional activities, and evaluation activities. The participant's packet consists of a section explaining the coalition; a section on the development of the materials as part of the Economic Literacy Project; an introduction; guides to the six sessions; three modules of reading material called Where Does Income Come From?, How Does the Labor Market Work?, and Why Don't We Have Full Employment?; a glossary; worksheets for the sessions; a 25-item annotated bibliography that includes videotapes and music as well as printed materials; and an evaluation form. (CML)

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LEARNING ECONOMICS: EMPOWERING WOMEN FOR ACTION

FACILITATOR'S GUIDE AND PARTICIPANT PACKET

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Learning Economics:

Empowering Women for Action

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A Women's Collective Project
in Economic Literacy
designed and produced by the
Religious Network for Equality for Women
475 Riverside Drive, Room 830-A
New York, New York 10115

ABOUT THESE MATERIALS

Women's work created and produced these materials. The Religious Network for Equality for Women, a coalition of over forty national religious groups working toward economic justice for women, has invested significant time and money into the development of the Economic Literacy Project. We are confident that your sense of fairness and your own commitment to economic justice make a formal notice about unauthorized reproduction of these materials unnecessary.

We've tried to price these materials fairly and are depending on income from their sale to support our development and printing costs. Please see the enclosed order blank for prices. Although we do not recommend it, a "Right to Reproduce" license is available for $30 allowing reproduction of up to ten copies of the Participant Packet. The Facilitator's Guide should not be reproduced at all. We think the cost and inconvenience of duplicating your own copies outweigh any small savings you might gain by copying rather than purchasing the Participant Packet. We hope you'll agree, as purchasing the materials from RNEW will help strengthen the financial base of this coalition, and thus help to achieve our goals of working toward economic justice for women in public policy and educational arenas. We are, of course, open to discussing special or unusual requests for copying and/or multiple copy purchases. Just call us at (212) 870-2995.

Thank you very much for valuing women's work. We hope that this experience will be a productive and enriching one for you.

ABOUT RNEW

The Religious Network for Equality for Women (RNEW) is a coalition of forty Protestant, Catholic, Jewish and other faith groups committed to working toward economic justice for women. Member groups collaborate on an array of educational and advocacy projects. RNEW's focus is the economic rights and security of all women, but especially for those most vulnerable: single parents, low-income women, women of color and the aged. RNEW works for specific public policy changes and develops educational materials to assist local women to understand and organize around economic issues that affect them. The Religious Network carries on its work through a national office in New York, through a representative Board with broad geographical and diverse religious group representation, and through state affiliates and co-member groups.

Since 1982 RNEW has worked with many national and grass-roots groups to

- **fight cuts in the federal budget which reduced income, housing, health care, food stamps and day care for poor families**
- **increase the employment options, work place rights and income security of women.**
- **improve the income level of poor women.**
- **protect civil rights.**

RNEW acts on its legislative goals:

- by collaborating with other women's and religious public policy advocates who share the same goals.
- by making its stand known to: members of Congress, the press and to member group constituents requesting action.

RNEW educates for action through:

- newsletters which educate on poverty, child care, welfare reform, changing work patterns, the economics of women's equality, pay equity, etc.
- participation in conferences and meetings with other national women's groups.
- the dissemination of educational materials to encourage women's active participation in issues affecting them.
- Educational sessions at three Board meetings a year to keep members up-dated on relevant issues.

The Economic Literacy Project: Process and People

The RNEW Economic Literacy Project--both the process and the materials designed to help women understand how the US economic system works--reflect a remarkable convergence of ideas, energy, and commitment to economic justice among many people across the country.

The dominant threads in this collective effort were woven by Teresa Amott and Judy Claude with their characteristic blend of art, skill, and pedagogical intuition. Teresa Amott holds a Ph.D. in Economics and has been a faculty member at Wellesley College and at the University of Massachusetts at Boston. This year, Teresa is Visiting Lecturer and Research Associate in Women's Studies and Religion at the Harvard Divinity School. With other women economists, she founded The Women's Economic Literacy Project in Boston. She has done extensive work in popular economics education for many church, university, and community groups. Judy Claude has done doctoral work in Economics at the New School for Social Research in New York. She is presently Associate Coordinator for the Latin American and Caribbean Desk for the National American Friends Service Committee in Philadelphia. Teresa and Judy consult widely on issues related to economic justice. Their contribution to this project is beyond calculation.

Amata Miller IHM, currently a Scholar in Residence in Economics at NETWORK in Washington, DC., provided the initial motivation for this project, following an RNEW Board workshop where she noted the important links between lack of understanding about the US economy and the perpetuation of unjust economic systems. She served as a consultant throughout this project, lending her considerable skill as an economist and teacher to the task of presenting complex subject matter in an concise and palatable manner. Kristin Andes, a former RNEW Board member and now board member of the United Church of Christ Coordinating Center for Women in Church and Society, combined an idea and the desire to do something about it into a specific proposal outlining how RNEW could address this goal. Patricia Gill Turner, at that time staff to the Presbyterian Church USA Women's Unit, chaired the first RNEW Economic Literacy Committee, contributing her enthusiasm, high energy, and networking skill to the implementation of the proposal.

RNEW Board members Verna Uthman, Judith Hertz, Faith Johnson, Mary Andrus-Overly, Mary Rehman CHM, Edwin Mary McBride SL, and Barbara Weaver offered thoughtful critique, volunteer work, access to funders, encouragement, and the impetus to push forward.

National Coordinator, Dorothy Rasenberger and her associate, Stephanie Larsen assumed responsibility for the plethora of detail work, organization, and coordination that a collective effort requires. That the office is perennially short-staffed and under-funded was never reflected in either the quality or quantity of their work, which included writing, editing, communicating, prodding, soothing, collaborating, proof-reading, etc, etc, etc.

National Board Chair, Andrea Lee IHM managed the design and production of the materials. Andrea's 'regular job' as Executive Vice President of Marygrove College in Detroit made available a number of valuable college resources during the project. An important turning point occurred in March, 1988, when a final editing session with Marygrove English Professors, Barbara Johns IHM and Lynne Schaeffer, turned into a hectic but creative rewrite weekend with Judy, Teresa, Dorothy, Barb, Lynne, Amata, and Andrea. Later, chemistry professor, Maryfran Barber IHM; Dean John Novak; and Publications Director, Paula Laramie contributed their considerable proficiency with the *Macintosh* to the project.

The drawings in the Economic Reader are the work of Nick Thorkelson, graphic designer and political cartoonist. Nick's skill is evident in the drawings; his ability to choose key ideas for graphic representation clarified and strengthened the content of the Economic Reader. Please credit Nick's work in any reproduction of these materials since he did not sign his individual drawings.

Following a marathon training weekend at Stony Point Center in New York, ten women moved confidently into facilitating the pilot groups for the project materials. Their energy and insight, as well as skill in leading diverse groups and in sharing their experiences with us, provided the single most valuable contribution in the evolution of this project. We are most grateful to Jeannette Maskers and Marilyn Alfers (Neola, Iowa); Sydney Brown and Harriet Wright (Oakland, California); Marilyn Wood and Maria Inez Lacy (Philadelphia, Pennsylvania); Mary Peter Bruce SL, (El Paso Texas, where the materials were translated by her into Spanish); Aida Garner (New York City); Kristin McNamara SL, Fort Lupton, Colorado); and Jeanette Stokes (Greenboro, North Carolina).

No project of this magnitude can move forward without significant financing. With the help of Board members and others, we gratefully received funds from the UCC Hunger Action Fund; the UCC Office for Church and Society; the UCC Board for Homeland Ministries; the United Methodist Church Women's Division; the Presbyterian Church USA; Sisters of Loretto; Episcopal Church Coalition for Hunger and the United Thank Offering; Claretian Fathers; Sisters of Charity BVM, Dubuque; Church Women United; Marianist Brothers; Dominican Sisters of Springfield, Illinois; Lutheran Church in America; Lutheran Church Women and the Church of the Brethren.

Work in a collective mode is never easy and frequently not predictable. Timelines stretch; budgets are exceeded; frustration mounts. But the end result is often more than worth the effort. We think that the RNEW Economic Literacy project demonstrates a thoughtful and creative interplay of talent and time; energy and enthusiasm; conflict and consensus; pedagogy and passion; creativity and commitment. A work done in the women's way. We hope it works for you.

Facilitator's Guide
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Learning Economics: Empowering Women for Action

FACILITATOR'S GUIDE - INTRODUCTION

Learning Economics: Empowering Women for Action is a six-session program designed to build an understanding of the economic system by examining the issue of women and work. Women and work is not the only issue we could use to explain how our economic system works, but it is a useful example since it is one with which most of us are familiar in one way or another.

Each session builds upon the previous ones, incorporating readings, role-play, and other activities designed to enable group members to connect their personal experience with how the economic system operates as a whole. The process is one of moving from the personal to the general, from the individual to the societal.

This Facilitator's Guide will help you assist the members of your group in their personal and collective learning experiences. We offer a session outline for each meeting, as well as suggestions about eliciting participation, room set-up, and time allocations along with session descriptions and materials needed for each activity.

RELAX! This will be one of the most thought-provoking and exciting journeys taken into the lives of women. Your role is an important one--to assist the participants in their own individual, as well as group learning. It is more important that you use your skills of encouraging thoughtful discussion than that you think of yourself as "the teacher". In that sense, knowledge of economics is less important for you than skill in group leadership. The materials will be of help to you and your group, and our experience in the pilot development stages of this project suggests that the group dynamic will unfold understandings that may not have been possible through individual reading or study. ***Let it happen!***

Because uniqueness and diversity characterize each group, each locale, we encourage you to augment and/or modify this Guide to fit the specific needs of your group. At the same time, take care that you do not lose the overall goal of learning and understanding about the economic system. Pilot groups across the country let us know that it may be useful to use additional reading materials (newspaper clippings, magazine articles, etc., that are particular to a region, state, city, or town. In some instances, audio-visual aids may help. We've included some references on the Resources List. Do not be afraid to use additional resources which may enhance this learning experience for your group. If you have a specific problem or question, a call to the RNEW national office may be helpful

We have found it most functional to keep the group size to ten people in order to stay within the two-hour per session timeframe. If the group wishes to have two or three more people, members should consider the option/possibility that some sessions may exceed the time period, particularly Session I and IV. Discuss this with your group at the beginning.

Time allocations within each session are appropriate for each activity within that session. Additional time, when appropriate, should be negotiated with the members of the group.

Your materials for this process include this Facilitator's Guide and the Participants' Packet. The Participant Packet includes the Economic Reader, Glossary, Session Guide, Resources List, and Worksheets. You should be aware that the data and graphs included in the Economic Reader are dated, and use of these materials in years after 1988-89 may necessitate your locating more recent information.

Remember to refer members of the group to the **Glossary** to understand better the terms shown in **BOLD PRINT** in the Reader. It may be useful to use the Glossary as a reference tool when discussing the Reader in order to insure that there is common understanding of terminology.

Finally, as the facilitator, you may wish to spend some time with this Guide and accompanying materials in order to become more familiar with the process and to identify activities which may need more thought and preparation. You'll see in the outline for each session a section labeled "Preparing for the Session". That section will give you some ideas on how to best prepare so that your group experiences are productive and pleasant ones.

We would be grateful if you would send us a list of the names, addresses and phone numbers of women who participate as your group members.

SESSION I

Making Connections With Ourselves as Economic Persons

Goals:

Getting to know one another
Identifying our economic backgrounds, and the similarities and differences among us

Preparing for the Session:

Before you begin this session and al the others, take time to be alone, clear your mind, and focus on the session. Read this guide, look over the readings you'll be assigning and try to anticipate any problems which might arise. Try to be early so that you can greet the participants as they come in. Set up the room to promote communication and cooperation. For this session, arrange the chairs in a circle or invite the participants to sit around a big table.

Materials You'll Need:

Name Tags, if appropriate
Newsprint and marking pens
Participants' Packets (Economic Reader, Worksheets, Glossary, Resources List, Session Guide, etc.)

Activities:

1. **Introductions (10 minutes)** These should be brief (name, organizational affiliations or type of work, reason for participating in this project).

2. **Review the goals and rationale of the RNEW Economic Literacy Project (15 minutes)** You may use the introduction to the program found at the front of the Economic Reader. Schedule any adjustments such as time, day, location, etc., and review the Session Guide with the participants.

3. **Expectations (15 minutes)** Ask each participant what she expects from the project. Write down the expectations on newsprint and keep them for the evaluation at the end of the last session.

4. **Economic histories (70 minutes)** Each participant, in turn, will have a few minutes to describe her economic history. The facilitator should model this activity by going first. (How long each can have will depend

on the size of the group.) Some questions to help participants decide what to say can be written up on newsprint ahead of time. For instance:

a) What did your grandparents and parents do for a living? If you know about your ancestors further back, include them.

b) Who was the primary wage earner in your childhood home(s)? Did the situation change as you grew up?

c) Who made the major decisions in your home (e.g., where to live, who went to school, how money was spent)?

d) Did your mother work for pay? How did you feel about that? How did other family members feel? If you grew up in a two-parent household, was your mother's paid and unpaid work considered as important as your father's? What skills (in the labor market and in the home) did your mother have? Did she pass them on to you?

e) Who was primarily responsible for the unpaid work in the home, such as childcare, housework, yardwork, etc.?

f) How was your family affected by major economic upheavals such as the Great Depression of the 1930's, plant closings in your town, the migration of Blacks out of the South after World War II, etc.?

g) How did your family economic situation affect you -- your goals, your education, your expectations of work?

When each person has shared her economic history (including the facilitator) try to identify the commonalities and differences in the group's economic histories. List these on newsprint. Ask the group to identify any insights on the role of race, sex, and class in the economic system which emerged from their stories.

Assignment for Session II: (10 minutes)

The goals of this assignment are to enable participants to understand income and wealth, to see where they are located in the income and wealth distributions, and to understand where they fit in the labor market.

a) Read **Module 1** of the Reader, "Where Does Income Come From". Complete the **Session I Worksheets** found in the Participant Packet and reflect on the **Questions for Thought** included with the reading. Look over the worksheets with the group to see if there are questions. Look through the reader to examine its format and locate the appropriate "Questions for Thought".

b) Read **Module 2** of the Reader, "How Does the Labor Market Work" and reflect on the **Questions for Thought**.

c) Be prepared to talk about where you fit in the labor market and to describe briefly your workplace (for example, the race and gender of your co-workers, the type of work you do, who has decision-making power, whether you have fringe benefits and union membership, etc.).

If there are women in your group who are unemployed or who work as unpaid homemakers or volunteers, refer to the questions in Session II at the beginning of Activity 2 to suggest a framework for their thinking. It is important in preparing the group for this assignment that you encourage everyone to participate. Reinforce the idea that unpaid and/or volunteer labor makes an important, if unrecognized, contribution to the economy.

In this process, we are focusing on women in the paid labor force **as an example to illustrate how the economy works**. It is not the only example we could have chosen. Acknowledge the fact that many women work in the home, receiving no income for the work done there. If women work both in the home as well as in the paid labor force, they work the double day. This term recognizes the fact that women do paid and unpaid work. If women do not work outside the home, you might encourage them to look at the work they do at home and to guess which sector of the labor market it would fall in were it paid labor. Remember that many jobs women do in the home are, in fact, part of the labor market, i.e., child care, housecleaning, window-washing, laundry, etc. Most employment in these areas is low-wage and is dominated by women. Suggest that participants think about what this says about the value of our work in the home.

Helpful Hints:

If possible, give each participant a list of the names, addresses and phone numbers of the participants. It is also a good idea to arrange for snacks at each session. You can divide the responsibility for snacks among the group members or you may wish to be responsible as the facilitator.

SESSION II

Reflecting on Women and Work: Paid and Unpaid Labor

Goals:

Describing our own labor force participation or unpaid labor
Understanding the diversity of the labor market
Deciding what we need to know about women and work in our local economy

Preparing for the Session:

Go over the assignment carefully. Be prepared to participate in the discussion as well as to lead it. Have newsprint, tape, and markers ready for the participants. Title one sheet of newsprint, **"Primary Labor Market"**, title another **"Secondary Labor Market"**, and title a third, **"Underground Economy"**. Hang each of the sheets on the wall in a different spot around the room before the meeting. Arrange the chairs in a circle.

Materials You Will Need:

Economic Reader
Newsprint
Markers
Tape
Session II Worksheet: "Suggested Questions for Research"

Activities:

1. **Reflection on Histories and Reader, Part I (15 minutes)**

Open session by asking if participants have additional thoughts on the role of race, sex and class in light of both the shared economic histories and the Reader, Module I. Ask if anyone was surprised at her location on the income or wealth distribution tables. Keep this discussion short .

2. **Exercise on the Paid and Unpaid Labor Market (50 minutes)**

Begin by checking to see whether the group contains women who work in the paid labor force as well as women who work as homemakers, volunteers, or who are unemployed. If the group contains unemployed women or women working as unpaid homemakers, ask them to participate in the activity on the basis of one of the questions on the next page:

a) When you last worked for pay, what was your job?

b) If you are looking for a paying job, what kind of job do you want?

c) If you have never worked for pay, pick a job held by one of your family members.

One at a time, ask the participants to go up to the appropriate sheet of newsprint which describes their job and write their job titles/descriptions on the sheet. As they do this, ask them to describe their jobs, paying particular attention to factors like:

Is the job predominantly held by women or men?

What racial/ethnic group dominates the job?

Is the job unionized?

Does the job include supervisory power?

Is the job secure?

Does the job include benefits?

Are there opportunities for advancement and training?

Next, ask each participant to select a job done at her workplace by someone in another sector. For instance, a teacher might choose to describe the custodial job, or a secretary might choose to describe a managerial job. One at a time, ask each participant go to the appropriate sheet of newsprint (by now you may need to add sheets under each of the three headings) and describe the other job.

People may not know all the answers to these questions, but they can begin to guess based on what they have learned about the different labor market sectors in the Reader. The goal is to use the categories of labor market segmentation to categorize their experience.

Close this activity with a transitional comment like, "We need to know whether the picture we have just developed holds true for the local area as a whole," or "I wonder what other kinds of work women are doing in our area."

3. Research Project: (35 minutes)

Explain to the participants that the group will be working on a small research project over the next two weeks. The purpose of this activity is to find out if the personal experiences of the women in the group are typical of women in the area, or whether there are other factors about women in the labor force which should be considered in this particular locale. Participants may be anxious about this activity so you may need to do some reinforcing and/or confidence-building.

Refer to the "Suggested Questions for Research " worksheet (Session I) in the Participant Packet. Explain that this worksheet is not a rigid guide; it is rather designed to help them to find and organize information.

a) Defining the Local Area

Depending on where the participants live and work, you will want to define the local area as a city, a county, a town, or maybe even a state. Note that it will be easier to find average data for the state as a whole than information on women in your town; on the other hand, it will be easier to have experiential information and newspaper clippings from the city or town in which you live.

b) The "Suggested Questions for Research " Worksheet

The questions suggested on the worksheet are designed to ensure that the information collected gives a complete picture of how women are doing in the local labor market. Briefly go over the suggested questions and encourage participants to add other questions if they wish.

c) Sources of Information

There are many ways in which the women can do this research. In a city or large town, for instance, they can go to the public library and ask to see any materials from the Bureau of the Census which pertain to the state or city. The Mayor's Office may have information (in large cities, there may even be an office which deals particularly with women's issues); also, states have Commissions on the Status of Women, usually appointed by the Governor, which collect data on women. In other areas, most of the data you collect will be based on the experiences of the women in the group. Don't overlook other sources of information such as local unions, women's organizations such as NOW or other groups which specifically deal with women's issues, as well as ecumenical ministries, many of which collect information on economic hardship in their communities.

d) Assigning the Research

Once the group has determined the questions and identified possible sources of information, offer the option of either doing research individually or in teams of two. With either option, assign questions. Remind the group that the results of their research are due in Session IV. Move on to the specific Session III assignment on the next page.

Assignment for Session III: (10 minutes)

The goals of the assignment are to enable the participants to understand the larger picture which affects employment, including the global division of labor and the existence of business cycles. Explain to the group that the research project will be worked on over the next two weeks, while the following material will be the subject of the session next week.

Ask participants to read **Module 3** of the Reader, "Why Don't We Have Full Employment?" and reflect on the **Questions for Thought**.

Helpful Hints:

It is very important at this point that you say some words of encouragement, since people may be feeling a little intimidated. Try something like, "You may not be able to obtain any information on a particular question, so don't get frustrated. Economic information is hard to find, and it is particularly hard to find information which reveals inequalities among people. Also, you may find a piece of information which contributes to our overall understanding of women and work in the local area but which is not a response to our original list of questions. Please share this information with us."

SESSION III

Reflecting on Women and Work; The International Economy

Goals:

Understanding the effects of economic change on women's employment

Understanding global competition and the international division of labor

Preparing for the Session:

It will be a good idea if you participate in the research project along with the other participants. Having the experience yourself will help you to foresee what problems the group may be experiencing in completing this assignment. If you are far enough ahead with your research, try boiling down your data according to the directions in the assignment listed at the end of this Session. If you can do this, it will help a lot when you try to explain the assignment to the group. Read the assigned section of the

Economic Reader and read **Journey of the Blouse** before the session. Make a list on newsprint of the twelve " worker roles" from "Journey of the Blouse" (see below)

Materials You'll Need:

Economic Reader, Module 3
"Journey of the Blouse" article from the Participant Packet
Index Cards (5x7)
Newsprint
Markers
List of "Journey of the Blouse" Worker Roles:

1. In El Salvador, a peasant working on a large cotton plantation
2. In United States, an MBA (Master of Business Administration) working for Cargill finding the lowest priced cotton
3. In South Carolina, a truck driver unionized by the Teamsters
4. In Venezuela, a cook for workers on an off-shore oil rig
5. In Trinidad and Tobago, a worker in a petroleum refinery
6. In New Jersey, a longshore worker unloading materials at the dock
7. In New Jersey, a technician for Dupont supervising petrochemical machinery
8. In North Carolina, a non-union textile mill worker
9. In Chicago, a buyer for Sears
10. In Haiti, a seamstress in a sweatshop
11. In New York, a worker in a plant which packages the blouses in plastic
12. In Illinois, a catalog mail-order processor for Sears Catalog

Activities:

1. Research Project (15 minutes)

Ask participants about the status of their research. Identify any problems and utilize the group to solve the problems and/or to consider alternatives.

2. Why Don't We Have Full Employment?" (30 minutes)

Direct the group's attention to the reading assigned last week, "Why Don't We Have Full Employment?". Focus the group discussion on these questions:

Have you or any member of your family ever been unemployed?
Was it a temporary layoff or were you fired for good?
Were you unemployed during a recession? (Some recent recessions were in 1970, 1973-74, and 1981-82)

Was your job a primary, secondary or underground economy job?
How has your life been changed by the current economic crisis?
For instance, do you purchase more imported goods?
Have you lost your job as a result of competition from imported goods?

Tell the group that while you have been focusing on the more obvious effects of the economic system, particularly in the domestic arena, it is also important to consider the concept of global interconnectedness, and how the international economy affects us. This is an important transition since there are many myths about the effect of the global economy on US citizens.

3. Journey of the Blouse (20 minutes plus 45 minutes)

Direct the groups' attention to the article **"Journey of the Blouse"** and ask them to read the article. Allow about twenty minutes for individual reading. When the group is finished reading, refer to the list of roles which you have taped up on the wall.

Explain that it is important to explore the linkages among workers around the world, to understand their work realities, and to explore the ways in which the global economy operates. Tell the group that, in order to begin to understand some elements about the international economy, you will be engaging in an imaginative exercise designed to help them "walk in the shoes" of a worker described in the "Journey of the Blouse". You will need to be very encouraging here about use of the imagination since some people are uncomfortable with this kind of activity. A little effort on your part to overcome any group hesitancy will pay off in a superior result from this exercise. Ask each participant to choose a role from the list you have posted and to think of stories they've heard, or read about, or pictures they've seen to help in imagining the life and working conditions of the worker they've chosen. If you have more roles than group participants, either ask several people to assume more than one role or take on one or two yourself. Leave out a role only as a last resort. Set the following scenario:

> Imagine that you are attending an International Conference for Working Women. At an Open Forum, workers from around the world, stand and make a brief statement describing their work life, working conditions, etc. For example, the peasant woman from El Salvador might say something like, "I am a peasant worker from El Salvador. I work on land owned by a rich man, picking cotton for fourteen hours each day. The work is hard, I must bend over to pick the cotton and the sun is very hot. Our pay is barely enough to feed my three children and we have no access to medical care. I would like to own land, but in my country only the very few rich people have that privilege, etc., etc., etc.

As each person speaks, make a list on newsprint of the working conditions, etc, for each person. After each person has spoken, help the group to make two lists describing the COMMONALITIES and DIFFERENCES evident in the presentations by each worker. Discuss who gains and who loses. One of the goals here is to help the group to understand that foreign competition is not our real economic enemy.

Assignment for Session IV: (10 minutes)

The goal of this assignment is to learn about the conditions of women and work in the local area. Session IV brings to a close the task begun in Session II. Ask participants to bring to the next session a 5 x 7 index card on which they will have have summarized the answers they discovered to the questions they decided to research at the end of Session II. You may wish to distribute a few 5x7 cards to each participant if that seems more simple. If you have tried the assignment yourself, you may wish to share your outcomes with the group in just enough detail that they can grasp the LEVEL OF SPECIFICITY which is appropriate for this kind of research work. The important thing here is to boil down all the facts and stories you have found into some concise statements that relate the status of working women in your area to the concepts we have developed up until now. Remember that those concepts include:

- **the idea of primary, secondary, and underground labor market sectors**
- **the concentration of women and people of color in the secondary labor market**
- **the effect of global competition on the U.S.**
- **the rise of the service sector and decline of manufacturing**

SESSION IV

Making the Economic Linkages

Goals: Sharing the results of participants' research on the local area
Understanding the economic structure in a new way

Preparing for the Session:

If you are able to do so, calling participants during the week to check on the progress on the research project may be helpful. Especially important will be to stress that the idea is to make sense of the large amount of information which they have gathered, drawing a conclusion or two which can be defended using the data. Bring some extra 5x7 cards with you. Review the Facilitator's Sample Structure sheet found on page 20 of this Guide to get an idea of what you will be working toward as a group goal during Session IV. Xerox one copy of each of the five Foundation Blocks and make a number of copies of the the blank Linkage Bricks which can be found in the Participants' Packet. An alternative here would be to draw larger replicas of these blocks on newsprint. Mentally go through each exercise so you will be prepared to lead the discussion at the session. Arrange chairs in a semi-circle facing a wall, which will be used to develop a visual representation of participants' research on the local economy.

Materials You'll Need:

5x7 cards
Markers
Tape
Xerox copies of Foundation Blocks and multiple copies of blank bricks
Session IV **"What Is"** Worksheet

Activities:

Begin by reserving about **five minutes** to allow participants to talk about their experience in doing the research. Do not draw this out too much.

1. Building the Structure (45 minutes)

Ask each participant to tape her card up on the wall space, lined up one next to the other as if they were the top bricks in a wall. As she places her card, she gives a brief summary of the information she learned. Make sure that each person speaks no more than 3 minutes at this time since they will have further opportunities to share information as the discussion proceeds.

2. Putting in the Foundation (10 minutes)

As the facilitator, you now tape up the large foundation blocks which you xeroxed, lining them up alongside each other as the foundation of the wall. Leave plenty of space between the foundation and the top row of cards.

At this time, break for 15 minutes, asking people to think about what goes in the middle of the wall: "What are the linkages between the foundation blocks and what you have discovered?" People may wish to walk over to the wall and look more closely at the cards.

3. Filling in the Linkages (50 minutes)

The purpose of this exercise is to understand how the structural characteristics of the economic system create the problems identified in the local economy. To understand how to lead this discussion, refer to the Facilitator's Sample Structure found on page 20 of this guide.

Notice that one of the foundation blocks (one of the structural characteristics of our economy) is the **profit motive**.

Begin the discussion by asking: How does the profit motive lead to any of the findings from our local research?

For instance, if one of the research findings is that there has been a loss of high-wage manufacturing jobs in your area, we can identify the linkages from the profit motive to job loss: profit motive leads companies to seek lower wage labor abroad, causing capital flight. Put a new brick into the wall with the words **"CAPITAL FLIGHT"** written on the brick.

Continue the discussion. Someone might point out that capital flight leaves local governments with fewer tax revenues, causing cutbacks in human services. Put a brick into the wall labelled **"CUTBACKS IN SOCIAL SPENDING"**. This leads to another problem, **"LACK OF ACCESS TO TRAINING AND CHILDCARE"**. Write that up on a brick and place it into the wall.

Continue this discussion, identifying new linkages as they come up. For example, cutbacks in social spending are related to the growth of US military power because the government is spending more on the military and less on human needs, If you wanted to spell this linkage out, you could label a brick **"CHANGING BUDGET PRIORITIES"**.

NOTE: Do not worry about exactly where the "bricks" are placed. The purpose is to **identify** linkages, not to rank them or order them. These linkages are all interrelated, and the goal here is to name as many linkages as possible.

Close the discussion by telling the group that it has identified the economic structure which poses barriers to economic justice and that it has a clearer sense now of where we can begin to tear down these barriers. However, to have a clearer sense of where to start, we need a vision of where we are going. In the Assignment for Session V, we summarize our understandings of where we are. In Session V itself, we will develop a shared vision of where we ought to be.

Assignment for Session V: (10 minutes)

Refer to the worksheet entitled **"WHAT IS?"** and ask the group members to fill it in for the next session.

Helpful Hints:

Unless you are very adept at group facilitation, it will probably be useful to ask one of the group members to write on the newsprint or to place the building blocks as the exercise is completed. It is difficult to facilitate the discussion and write at the same time. Save the wall structure you build together as you will need it again next week.

SESSION V

Connecting our Values and the Economic Reality of Women

Goals:

Articulating our own vision of a just economy
Comparing our visions and the values that underlie them with the society that exists and its underlying values

Preparing for the Session:

Complete the **"WHAT IS"** worksheet yourself. This will help you think about how to approach the materials for Session V. What you will be trying to accomplish in this Session is to have participants see in a clearer way the gap between "What Is" and "What Should Be". For this session you should place the chairs in a circle. The structure of the economy which was built in Session IV should be on the wall again. Prepare the newsprint formats you will need in advance.

Materials You'll Need:

Sessions IV and V Worksheets: **"What Is"** and **"What Should Be"**
Newsprint
Markers
Wall Exercise from Last Week

Activities:

1. Reviewing Linkages and Barriers (15 minutes)

You should review the economic structure with the group. See if participants have further reflections on linkages and barriers.

2. Describing the Current Economic System (20 minutes)

The purpose of this exercise is to look at the characteristics of our current economic system. At the end of Session IV, you asked each participant to complete a worksheet as home, describing "what is" in relationship to a number of questions. On newsprint, place the heading "WHAT IS" and under each question write the responses of each participant. Some or all of the responses may provoke discussion. Encourage it--both for clarification and to identify differences and commonalities. Differences that are stark should be starred and reviewed following the next exercise.

3. Moving Toward "What Should Be" (75 minutes)

Direct the group's attention to the **"WHAT SHOULD BE"** worksheet. The purpose of this exercise is to articulate and share our visions of a just society Allow 15-20 minutes for each participant to answer (in writing) individually. THEN, on newsprint, place the heading "WHAT SHOULD BE" and under each question write the responses of the participants. Once again encourage discussion with an eye on identifying differences/commonalities. Star those differences in the responses. Then discuss the differences identified in the "WHAT IS" and the "WHAT SHOULD BE". This part of the discussion will have to be done carefully. The idea is to see if differences come out of different circumstances and, if so, can understanding--if not agreement--be achieved. We want to understand what makes perspectives different. We do not want to argue or to intimidate. Be sensitive to diversity. .

Assignment for Session VI: (10 minutes)

The purpose of this assignment is to identify hopeful signs that the future may be different, or that we can influence what the future will be. Each person or team is responsible for identifying persons, groups, organizations--local, state or national--which are working to move us from **"WHAT IS"** to **"WHAT SHOULD BE"**. Think about how their works help to effect change. Be prepared to share in the next Session.

Helpful Hints:

If you plan on having some sort of ritual at the end of Session VI, you may wish to elicit help from some other group members in planning for this. In addition, if you want to plan a celebration to end this process, elicit group help in planning for it.

SESSION VI

Social Action - Determining Your Own Action Possibilities

Goals:

Developing a sense of the range of action possibilities
Committing yourself to action for economic justice

Preparing for the Session:

It is important to remember that the "traps" you are likely to encounter at this point are that people will be tempted to say: "The problem is too big. I don't know what to do, so I won't do anything!" or "How can anything I do make a difference?".

This exercise intends to convey that there are many different types of action needed. If looked at explicitly in the light of the vision of a just society articulated in the previous session, many facets of transformational actions emerge as both necessary and desirable. What none of us can do alone, we can accomplish together. This exercise should give a glimpse of the power of a committed group working toward common goals.

Prepare a large newsprint grid similar to the Economic Justice Action Grid Worksheet for use at the meeting.

Materials You'll Need:

Background Worksheet: Social Action--Determining Your Own Action Possibilities (in Participants' Packet)
Economic Justice Action Grid (in Participants' Packet)
Newsprint and markers
Some flowers, symbols, and food for celebration and ritual
Envelopes and slips of paper for writing commitments

Activities:

1. **Review of Past Sessions (15 minutes)**

Open this session with your review of where the group has been since the first session. Recall that, as a group, you have reviewed your histories, identified your economic positions, researched the issues, and envisioned a just society. Talk about connections among participants' personal economic experiences, the group's analysis of the economic system, and the group's statement on economic justice. Ask if you have left anything out and if anyone in the group wants to contribute her thoughts on how far the group has come.

2. Identifying Action Possibilities: Discovering "What Can Be Done" (60 minutes)

You want to lead a discussion of the possibilities for action. In this discussion, it is important not to pressure anyone into participating in further action. At the same time, we want to be open to the possibility of the group considering some project together. Be sure to include networking through RNEW among the action possibilities.

Begin by noting the ideas expressed in the "Preparing for this Session" section above. Spend a little time discussing the background sheet "Social Action--Determining Your Own Action Possibilities" (found in the Participants' Packet) to show the various action possibilities and how together they "cover all the bases" needed for social change.

Help the group to see how the Economic Justice Action Grid can help them plan and organize their efforts by using an example to show how the grid can be used. Take an economic problem such as the concentration of women in the pink collar ghetto and elicit from the group some ideas for action which would contribute to the solution of that problem. Put the ideas in the appropriate block on the grid as they surface.

Reinforce the idea that it is not important to fill in every cell, but rather to see where each person might fit in, and how "all the bases can be covered" if enough people participate. What should emerge is a kind of "patchwork quilt" of participation.

3. Personal Reflection and Commitment

After the group has suggested an array of ideas regarding this one issue, ask each to reflect quietly for a few minutes on her own sense of call to action as a result of this six-week process. If you sense that the group is interested in working collectively on an issue or problem in the future, spend time discussing how SPECIFICALLY you plan to do that. If not, ask each to choose an issue and use the action grid to plan future action. Whether your group proceeds individually or collectively, ask each person to write down her personal plan and commitment for action. Then ask each to place their commitment plan in an envelope and address the envelope to herself. Tell the group you will mail it to them within a month--as a reminder of what they committed themselves to at the end of this process.

If the spirit of the group is such that you want to ask them to share their commitments, that would be a valuable way to reflect on the importance of shared action. If your group is one which would find meaning in ritualizing your personal and collective commitments, this would be an important way to conclude your six weeks. It may require an additional time commitment.

Evaluation: (15 minutes)

Return to the expectations which you wrote down in the first session. Reflect on what expectations were met and why, and what expectations were not met, and why. Lead the group in a discussion of their three most significant new learnings or understandings and the three areas they would like to learn more about. Ask what sessions or activities were the most/least helpful. Ask the participants to fill out the evaluation sheet.

Celebrate!

Facilitator's Sample Structure

Women of Color have high unemployment (last hired/first fired)

Many single mother cannot find jobs paying a living wage

Women in our area are in low-wage non-union jobs

Underground Economy

Decline in Primary Sector Jobs

Lack of Childcare

Decline of Union Power

Social Spending Cutbacks

Capital Flight

Immigration of Undocumented Workers

Global Division of Labor

Profit Motive

US Military Power

Racial Discrimination

Sexual Division of Labor

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Learning Economics:

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A Women's Collective Project
in Economic Literacy
designed and produced by the
Religious Network for Equality for Women
475 Riverside Drive, Room 830-A
New York, New York 10115

About These Materials

Women's work created and produced these materials. The Religious Network for Equality for Women, a coalition of over forty national religious groups working toward economic justice for women, has invested significant time and money into the development of the Economic Literacy Project. We are confident that your sense of fairness and your own commitment to economic justice make a formal notice about unauthorized reproduction of these materials unnecessary.

We've tried to price these materials fairly and are depending on income from their sale to support our development and printing costs. Please see the enclosed order blank for prices. Although we do not recommend it, a "Right to Reproduce" license is available for $30, allowing reproduction of up to ten copies of the Participant Packet. The Facilitator's Guide should not be reproduced at all. We think the cost and inconvenience of duplicating your own copies outweigh any small savings you might gain by copying rather than purchasing the Participant Packet. We hope you'll agree, as purchasing the materials from RNEW will strengthen the financial base of this coalition, and thus help to achieve our goals of working toward economic justice for women in public policy and educational arenas. We are, of course, open to discussing special or unusual requests for copying and/or multiple copy purchases. Just call us at (212) 870-2995.

Thank you very much for valuing women's work. We hope that this experience will be a productive and enriching one for you.

About RNEW

The Religious Network for Equality for Women (RNEW) is a coalition of forty Protestant, Catholic, Jewish and other faith groups committed to working toward economic justice for women. Member groups collaborate on an array of educational and advocacy projects. RNEW's focus is the economic rights and security of all women, but especially those most vulnerable: single parents, low-income women, women of color, and the aged. RNEW works for specific public policy changes and develops educational materials to assist local women to understand and organize around economic issues which affect them. The Religious Network carries on its work through a representative Board with broad geographical and diverse religious group representation, through a national office in New York City, and through state affiliates and co-member groups.

Since 1982 RNEW has worked with many national and grass-roots groups to

- **fight cuts in the federal budget which reduced income, housing, health care, food stamps and day care for poor families**
- **increase the employment options, work place rights, and income security of women.**
- **improve the income level of poor women.**
- **protect civil rights.**

RNEW acts on its legislative goals:

by collaborating with other women's and religious public policy advocates who share the same goals.

by making its stand known to: members of Congress, the press, and to member group constituents requesting action.

RNEW educates for action through:

newsletters which educate on poverty, child care, welfare reform, changing work patterns, the economics of women's equality, pay equity, etc.

participation in conferences and meetings with other national women's groups.

the dissemination of educational materials to encourage women's active participation in issues affecting them.

educational sessions at three Board meetings a year to keep members up-dated on relevant issues.

The Economic Literacy Project: Process and People

The RNEW Economic Literacy Project--both the process and the materials created to help women understand better how the US economic system works--reflect a remarkable convergence of ideas, energy, and commitment to economic justice among many people across the country.

The dominant threads in this collective effort were woven by **Teresa Amott** and **Judy Claude** with their characteristic blend of art, skill, and pedagogical intuition. Teresa Amott holds a Ph.D. in Economics and has been a faculty member at Wellesley College and at the University of Massachusetts at Boston. This year, Teresa is Visiting Lecturer and Research Associate in Women's Studies and Religion at the Harvard Divinity School. With other women economists, she founded The Women's Economic Literacy Project in Boston. She has done extensive work in popular economics education for many church, university, and community groups. Judy Claude has done doctoral work in Economics at the New School for Social Research in New York. She is presently Associate Coordinator for the Latin American and Caribbean Desk for the National American Friends Service Committee in Philadelphia. Teresa and Judy consult widely on issues related to economic justice. Their contribution to this project is beyond calculation.

Amata Miller IHM, currently a Research Associate in Economics at NETWORK in Washington, DC., provided the initial motivation for this project, following an RNEW Board workshop where she noted the important links between lack of understanding about the US economy and the perpetuation of unjust economic systems. She served as a consultant throughout this project, lending her considerable skill as an economist and teacher to the task of presenting complex subject matter in an understandable and palatable manner. **Kristin Andes**, a former RNEW Board member and now board member of the United Church of Christ Coordinating Center for Women in Church and Society, combined an idea and the desire to do something about it into a specific proposal outlining how RNEW could address this goal. **Patricia Gill Turner**, at that time staff to the Presbyterian Church USA Women's Unit, chaired the first RNEW Economic Literacy Committee, contributing her enthusiasm, high energy, and networking skill to the implementation of the proposal.

RNEW Board members **Verna Uthman, Judith Hertz, Faith Johnson, Mary Andrus-Overly, Mary Rehman CHM, Edwin Mary McBride SL, and Barbara Weaver** offered thoughtful critique, volunteer work, access to funders, encouragement, and the impetus to push forward.

National Coordinator, **Dorothy Rasenberger** and her associate, **Stephanie Larsen** assumed responsibility for the plethora of detail work, organization, and coordination that a collective effort requires. That the office is perennially short-staffed and under-funded was never reflected in either the quality or quantity of their work, which included writing, editing, communicating, prodding, soothing, collaborating, proof-reading, etc, etc, etc.

National Board Chair, **Andrea Lee IHM** managed the design and production of the materials. Andrea's 'regular job' as Executive Vice President of Marygrove College in Detroit made available a number of valuable college resources during the project. An important turning point occurred in March, 1988, when a final editing session with Marygrove English Professors, **Barbara Johns IHM** and **Lynne Schaeffer**, turned into a hectic but creative rewrite weekend with Judy, Teresa, Dorothy, Barb, Lynne, Amata, and Andrea. Later, chemistry professor, **Maryfran Barber** IHM; Dean, **John Novak**; and Publications Director, **Paula Laramie** contributed their considerable proficiency with the *Macintosh* to the project.

The drawings in the Economic Reader are the work of **Nick Thorkelson**, graphic designer and political cartoonist. Nick's skill is evident in the drawings; his ability to choose key ideas for graphic representation clarified and strengthened the content of the Economic Reader. Please credit Nick's work in any reproduction of these materials since he did not sign his individual drawings.

Following a marathon training weekend at Stony Point Center in New York, ten women moved confidently into facilitating the pilot groups for the project materials. Their energy and insight, as well as skill in leading diverse groups and in sharing their experiences with us, provided the single most valuable contribution in the evolution of this project. We are most grateful to **Jeannette Maskers** and **Marilyn Alfers** (Neola, Iowa); **Sydney Brown** and **Harriet Wright** (Oakland, California); **Marilyn Wood** and **Maria Inez Lacy** (Philadelphia, Pennsylvania); **Mary Peter Bruce SL**, (El Paso Texas, where the materials were translated by her into Spanish); **Aida Garner** (New York City); **Kristin McNamara SL**, Fort Lupton, Colorado); and **Jeanette Stokes** (Greenboro, North Carolina).

No project of this magnitude can move forward without significant financing. With the help of Board members and others, we gratefully received funds from the **UCC Hunger Action Fund**; the **UCC Office for Church and Society**; the **UCC Board for Homeland Ministries**; the **United Methodist Church Women's Division**; the **Presbyterian Church USA; Sisters of Loretto; Episcopal Church Coalition for Hunger and the United Thank Offering; Claretian Fathers; Sisters of Charity BVM, Dubuque; Church Women United; Marianist Brothers; Dominican Sisters of Springfield, Illinois; Lutheran Church in America; Lutheran Church Women** and the **Church of the Brethren**.

Work in a collective mode is never easy and frequently not predictable. Timelines stretch; budgets are exceeded; frustration mounts. But the end result is often more than worth the effort. We think that the RNEW Economic Literacy project demonstrates a thoughtful and creative interplay of talent and time; energy and enthusiasm; conflict and consensus; pedagogy and passion; creativity and commitment. A work done in the women's way. We hope it works for you.

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Learning Economics: Empowering Women for Action

PARTICIPANT PACKET - INTRODUCTION

Will there be enough money for this month's rent? To buy children's shoes and books before school begins? To get the car repaired? To help my teenager to go to college? Can I afford to stay home with my baby? If I work, can I earn enough to afford decent and safe child care? The particular questions differ from family to family but for each the answers depend on income. If there enough? Can it be stretched over all the needs?

When the answer is no, what do we do? Our first response is to look to ourselves--someone in the family takes on a second job, perhaps college is postponed, a car is sold, a loan is sought. We're familiar with all the private ways we solve personal economic crises . . . but is it always a private matter? Why income doesn't meet expenses can't always be answered by one woman or by one family. Causes are sometimes beyond the individual's control. Actions, focused on those causes, may be needed to remedy the situation.

Whole sections of the country are without enough jobs. Industries which once paid high wages have disappeared and displaced workers often must accept new jobs at half the pay. After years of struggle for equal rights, women are still clustered in the lowest paid jobs, earning on average $.64 for every dollar earned by men. Costs of food, housing and health care continue to rise while the real purchasing power of wages and salaries falls. Each year more people cross the line into poverty. These economic conditions produce the problems that women deal with day to day, but which we can't solve as individuals. Policies, priorities, and decisions have created these hardships and now we must join together to uncover, question, and change them.

Women often feel powerless to influence anything connected with economics and, until recently, have been discouraged from getting involved in it. Women, in fact, contribute mightily to the economy as workers, homemakers and managers of small businesses, but they are not in places of power, nor do they share equally with men in making economic decisions.

The **Religious Network for Equality for Women (RNEW)** designed **Learning Economics: Empowering Women for Action** to help women understand the workings of the US Economy which, in spite of its tremendous impact on their lives, women often feel powerless to influence. The premise of this program is that women can and must understand economic factors which affect their lives and become shapers of a just economy that is responsive to all who depend on it for survival and well-being.

RNEW designed this program for women from the same geographic area who are aware of economic problems because of their own struggles, or because of their efforts to assist or advocate for others. The material builds on women's experience as paid and unpaid workers. The six sessions move from group participants' own economic stories and the conditions of other women workers in their region to the dynamics of income and wealth, jobs, and wages, profit and loss, recession and inflation, fiscal policy and international competition. All these factors fuel the economy and reverberate back to individuals and communities.

The program is not a course in economics. It is a process that links women, economics, and justice. Women are learners and teachers in a mutual exchange of experience and discovery. Participants evaluate what they learn in terms of their values and beliefs and to articulate their vision of a just economy. Finally, the group considers the various ways they can take actions--singly, collectively, or in local coalitions to improve communities, workplaces and public policies.

Your facilitator will guide this process, helping you to participate actively and to gain as much knowledge and understanding as possible during the process. We designed this packet for you: it includes materials which will make clearer the workings of the US economy. The materials, as you will see, include **information about RNEW** and about our project on economic literacy; a **Session Guide** which outlines the direction and focus of the six sessions; an **Economic Reader** organized in three modules; a **Glossary** of important terms used in the Reader; **worksheets** you will be using during the six weeks; a **Bibliography and Resource List**; and an **Evaluation Form** for you to fill out at the end of the program.

As a coalition of Protestant, Catholic, Jewish and other faith groups committed to economic justice, RNEW uses the yardstick of traditional religious values to measure progress--respect for the dignity of each person, caring for the most vulnerable, building a community of sharing, reverence for the earth's resources, inclusion of all in the social, economic and political institutions of society--to measure progress toward economic justice. RNEW believes that women's sensitivity to these values, their own struggle for justice and equality, their potential for political strength gives them a special opportunity and challenge to turn the economy toward justice. We invite you to participate in this program thoughtfully and enthusiastically, along with women of faith and good will from across the country. ***Enjoy while you're learning!***

SESSION GUIDE

This Session Guide will outline each of the six sessions in **Learning Economics: Empowering Women for Action**. Each session is designed to be two hours in length. Your facilitator will outline the purpose and plan for each session in greater detail.

Session I:
MAKING CONNECTIONS WITH OURSELVES AS ECONOMIC PERSONS

Goals:

Get to know one another.

Identify our own economic backgrounds, and the similarities and differences among us.

Activities:

Review purpose of RNEW Economic Literacy Project.

Share expectations, review design, and make schedule adjustments.

Share economic histories, identify commonalities and differences.

Assignment for Session II:

The goals of this assignment are to help you understand income and wealth, to see where you are located in the U.S. income and wealth distribution, and to see where you fit in the labor market.

a) Read Module 1 of the Reader, **"Where Does Income Come From?"**. Fill out the assigned worksheets found in this packet (those marked Session 1) and think about the **Questions for Thought** which follow the reading.

b) Read Module 2 of the Reader, **"How Does the Labor Market Work?"** and think about the **Questions for Thought** which follow the reading.

c) Be prepared to talk about where you fit in the labor market and to describe briefly your job and your workplace (if you have a job) or the kind of job you used to have or are most likely to have (if you are now retired, in school, or a full-time homemaker).

Session II:
REFLECTING ON WOMEN AND WORK: PAID and UNPAID LABOR

Goals:

Describe where we fit in the labor market or our unpaid labor experience.

Understand the diversity of women's labor market experiences.

Decide what we need to know about women and work in our local economy.

Activities:

Reflect on our economic histories and Module 1 of the Reader.

Share information on jobs and workplace.

Define the local area, and review and choose questions for research individually or in teams of two.

Assignment for Session III:

The goal of the assignment is to help you understand the big picture, including the global division of labor and the ups and downs of the overall economy.

a) Read Module 3 of the Reader, **"Why Don't We Have Full Employment?"** and think about the **Questions for Thought** which follow.

b) Work on your local research.

Session III:
WOMEN AND WORK IN THE INTERNATIONAL ECONOMY

Goals:

Understand the effects of economic change on women's employment.
Understand global competition and the international division of labor.

Activities:

Check in on status of local research assignment and help solve any problems which have come up.

Discuss the **Questions for Thought** at the end of Module 3 of the Reader.

Read and participate in activity on the "Journey of the Blouse". Each of you will represent a delegate to an International Conference of Working Women.

Assignment for Session IV:

The goal of this assignment is to summarize the results of your research on women and work in the local economy.

Bring to the next session a 5 by 7 index card on which you have summarized the answers you discovered to the questions you researched. The important thing here is to boil down all the facts and stories you have found into some concise statements that relate the status of working women in your area to the concepts we have developed up until now. Remember that those concepts include: the idea of primary, secondary, and underground labor markets; the concentration of women and people of color in the secondary sector; and the effects of global competition on the U.S. economy.

Session IV:
MAKING THE ECONOMIC LINKAGES

Goals:

Share the results of your research on the local area.

See the linkages between different aspects of women's employment status in your local area.

Activities:

Build the structure: put your index cards up on the wall and share the information you've learned.

Put in the foundation: participate in a group discussion to identify the basic characteristics of the economy which are the root causes of what you have learned.

Fill in the linkages: participate in a group discussion of the linkages between these characteristics and what you've learned.

Assignment for Session V:

Fill out the worksheet entitled **"What Is . . . "** and bring it to the next session.

Session V:
CONNECTING OUR VALUES AND THE ECONOMIC REALITY OF WOMEN

Goals:

Articulate our own vision of a just economy.

Compare our visions and values with the current U.S. economy and the values that support it.

Activities:

Share answers to the **"What Is . . ."** Worksheet.

Work on the **"What Should Be . . ."** Worksheet.

Discuss **"What Should Be"** in comparison with **"What Is."**

Assignment for Session VI:

The goal of this assignment is to identify hopeful signs that we are moving from **"What Is"** to **"What Should Be."**

Identify some groups, persons, and organizations which are working for economic justice for women. Think about how their work moves us toward justice and how it attempts to change the economic structure we identified.

Session VI:
SOCIAL ACTION -- DETERMINING YOUR OWN ACTION POSSIBILITIES

Goals:

Develop a sense of the range of action possibilities.

Commit ourselves to action for economic justice.

Activities:

Review past sessions.

Report back on work for economic justice for women.

Discuss possibilities for action and commitment to action at the individual or group level. Complete the Economic Justice Action Grid.

Group Evaluation and *Celebration!*

WHERE DOES INCOME COME FROM?

In our economy, people receive income from four sources: owning **property** such as land, shares of **stocks, bonds** or savings; holding a job in the **labor market**; belonging to a family; and getting payments from the government. For instance, owners of stocks and bonds are entitled to collect income in the form of **dividends** and **interest**; workers collect paychecks; children are supported by their parents and may inherit their parents' property; and citizens of the U.S. collect a variety of payments from the government, ranging from Social Security to Veterans' Benefits.

People receive income from these four institutions -- property ownership, the labor market, the family, and the government. But some people have greater power and more access to these institutions, and have greater access to income from these sources than others. In particular, how much income individuals and groups of people receive is affected by three factors: race, class, and sex. For instance:

•Black women have worked for pay in the labor market for centuries, but racism and sexism in the labor market meant that they rarely earned enough to invest in the stock market or acquire property.

•Jobs stereotyped as women's work, such as nursing and childcare, pay less than jobs stereotyped as men's work, such as construction or science research.

• Children who inherit property from their parents and grandparents have a head start on life. They can use their income to acquire better education and to cushion against job loss.

In the weeks to come, we will focus on the labor market so that we can learn more about the issues surrounding women and work. But as we ask how to seek economic justice, we must examine all the ways in which some groups of people have more power and privilege than others. It will aid us in our work if we explore the interconnections between the labor market, the family, the government, and property ownership.

As we build an understanding of the sources of income, we will learn that there are many ways to work for institutional change which will improve people's access to income. For instance, we can advocate greater government spending on social programs for low- and moderate-income families. In the labor market, we can organize unions to raise worker's pay. To bring about greater equity in family relationships, we can develop nonsexist educational and counseling programs. All four institutions can be changed through education, organizing, and new public policies.

• Income From Property Ownership •

Our **capitalist** economy is based on private ownership of certain kinds of property such as stocks, bonds, buildings, factories and equipment, and land. This kind of property, known as **capital**, differs from the **personal property** that most of us own, such as clothing or radios.

Personal property does not produce income. Capital produces income in the form of interest, **capital gains**, **profits**, and **rents**. In 1982, over a million people received more than $25,000 each from owning capital. (That is more than the average household income in the United States). Owners of capital earn income because they use their wealth to employ others who, in turn, produce goods and services for sale. The owners receive the profits from these sales.

Sometimes this happens indirectly: when you put savings in a bank account, the bank probably lends the money to business firms who produce products for sale. Another example comes from the stock market. **Stockholders** in a **corporation** own shares of the factories, machines, and other assets of the corporation. While stockholders don't actually go out and hire the corporation's employees, they make their money available to the corporation in exchange for shares of stock. As a result, stockholders indirectly employ the corporation's employees.

Stockholders receive income in the form of dividends (a share of the corporation's profits which is sent on a regular basis to each stockholder). In addition, if stockholders sell their shares of stock for a higher price than they originally paid, the money they make is called a capital gain. Capital gains are another form of income from owning stock. (Of course, stockholders might also take a **capital loss** if the price of the stock goes down).

People who own capital want to receive the highest possible income from capital. As a result, capital tends to flow toward the most profitable uses. You can earn the highest interest on your savings if the bank who is lending out your money lends it to profitable businesses. Your stock will be most valuable if the company who issued the stock has high profits. This search for profits is an essential feature of a capitalist economy.

Operating in pursuit of profits, businesses will only produce goods and services if consumers can pay a price high enough to ensure profits to the owners of capital. In cases like these, where private businesses do not find it profitable to operate, government or **nonprofit agencies** will often step in to meet the need.

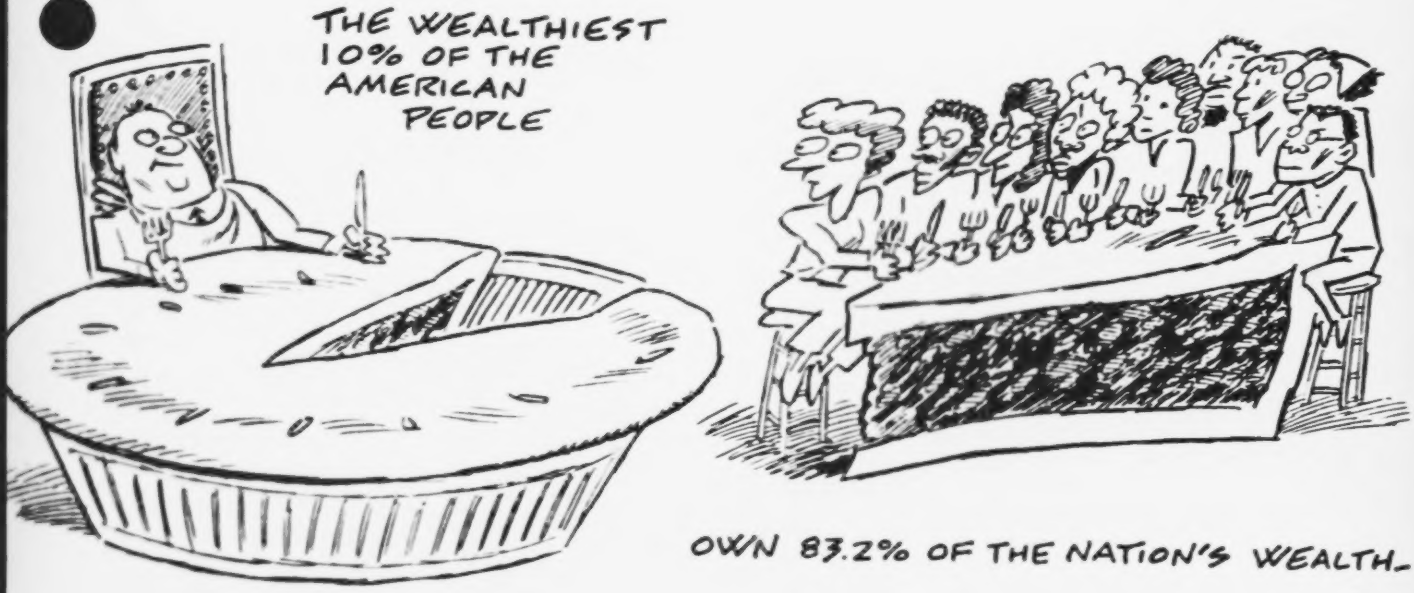
For example, since poor people cannot pay high housing prices, a capitalist economy may produce too little low-income housing relative to the needs of the poor. Prior to 1981, the federal government built public housing projects for low-income people; since then, nonprofits such as churches have tried to meet the housing needs of poor people.

An important characteristic of most capitalist economies is that ownership of wealth tends to be very unevenly distributed: the richest 1% of the US population owns 58% of the corporate stock and 51% of the bonds. The opportunity to own capital is strongly influenced by race and sex. For instance:

The federal government took millions of acres of land away from Native American tribes during the nineteenth century.

Up until very recently, most banks discriminated against women who applied for loans to start small businesses. Even today, fair credit laws are often not enforced.

Most people do not own enough wealth to live off its income alone. Instead, they participate in the labor market or are supported by their families or government programs. Eight million people in the United States are self-employed, like doctors, lawyers, farmers and small business owners. Another 16 million people work for federal, state, and local government. The largest group, over 80 million people, depend upon the owners of private businesses to provide them with jobs and income. Many of these jobs provide adequate income, job security and chances for promotion, but in other jobs, employees endure low wages, dangerous working conditions, unemployment, and plant closings.


THE WEALTHIEST 10% OF THE AMERICAN PEOPLE
OWN 83.2% OF THE NATION'S WEALTH.

drawings by Nick Thorkelson

Question for Thought

Has your family owned capital, have family members been self-employed, or have members of your family depended primarily on income from the labor market?

• Income from the Family •

We value family life as a place where caring and sharing take place. One of the ways in which families share is that families spread income among their members and pass along wealth (or the lack of wealth) from generation to generation. Parents are responsible for the financial support of their children, and, in some communities, for their grandchildren, nieces, nephews, siblings, and cousins. As parents age and retire, their adult children may in turn contribute to their financial support.

Single mothers face a higher risk of poverty because they generally lack access to a male wage earner. Even child support payments rarely make up the difference. In these circumstances, women turn to other family members--particularly their parents. They may move back into their parents' home or ask for a loan to tide them over. They also turn to government programs such as Aid to Families with Dependent Children.

In communities where unemployment is high or where few have good jobs at high wages, the family takes on an even more important role. Extended families help their members out, knowing that "what goes around comes around". For people of color and the white working class, turning to the family has always been an important strategy for survival. For more affluent families, inheritance plays an important role in providing property ownership and income to successive generations.

In families where the husband earns a "family wage," a wage high enough to support the whole family, women need not work for pay outside the home. Before the 1970's, it was common for white, middle-class women to be homemakers first and foremost. Since then, more and more women have entered the paid workforce. Today, half of all women with young children hold down paying jobs, although most mothers of very young children work part-time.

As more and more women combine unpaid homemaking with paid work outside the home, the stress of the double day has taken its toll. Studies have shown that women continue to bear primary responsibility for homemaking even when they are working full-time year-round.

Homemaking work is crucial to our society and is an important part of women's identity. Imagine what would happen if women stopped homemaking for free! Right now, women's unpaid work subsidizes the whole economy. Men benefit from homemakers' labor because they are free to pursue demanding careers or to have more leisure. Employers benefit from homemakers' labor because they do not have to pay the high wages needed by families in order to purchase homemaking services. Today, women are demanding higher salaries so that they "can afford to go to work" --in particular, so they can cover the cost of childcare. Still, homemaking is not socially recognized as important work.

For instance, homemakers do not earn Social Security credits towards their retirement years, and are often considered unskilled if they try to find paying jobs. Employees who lose their jobs to a plant closing can apply for unemployment compensation payments which help tide them over for a short period of time, but displaced homemakers, women who have lost their husbands through divorce or widowhood, do not receive unemployment compensation. They may receive Social Security Survivor's Benefits, but those benefits are based on their husband's work in the labor market, not on their own homemaking work.

As a result of the undervaluing of homemaking, most women and children are dependent upon men for access to higher income. The consequences of this dependency are illustrated by the unequal financial burden of divorce, where women who retain custody of children suffer a dramatic decrease in their standard of living.

One study of divorced, middle-aged women with children found that the risk of poverty rises from 10% to 25% for white women when their marriages end, and from 44% to 60% for Black women. Child support payments, awarded by the courts to the custodial parent, are rarely enough to make up for the loss of the father's income. Nearly two-thirds of divorced women with children receive no child support payments or less than the agreed-upon amount. In 1983, the average annual child-support payment was $2,341.

Questions for Thought

In what ways does your family get income?

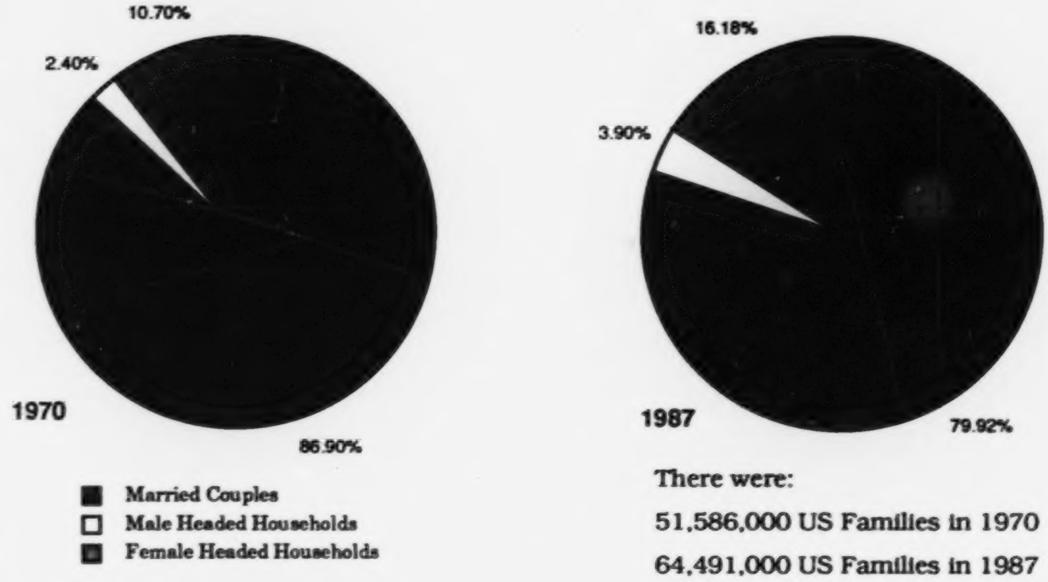
How has your family pooled resources?

Have women in your family suffered financially because they are the sole support of their families?

What would happen to your family if you stopped doing the homemaking work?

What would happen to the whole economy?

CHANGE OVER TIME IN U.S. FAMILIES



There were:

51,586,000 US Families in 1970

64,491,000 US Families in 1987

Source: Statistical Abstract of the US - 1988
Table 56

• The Government and Income Distribution •

Over the past century, the U.S. government has come to play an ever larger role in the distribution of income. It now provides income to nearly every household and business in the United States. Most government assistance to households comes in the form of programs such as Social Security, Veterans' Benefits, and Workers' Compensation. All of these programs which transfer income from one household to another -- taxpayers to beneficiaries -- are part of the "welfare state."

While many people believe that government gives out most of its money to the poor, programs like Social Security which assist people of all income levels are actually much larger than the "means-tested"program (programs for which recipients must prove that they do not have sufficient means to support themselves). For instance, of total government income assistance to households ($250 billion in 1982), Aid to Families with Dependent Children (AFDC) makes up less than 5%.

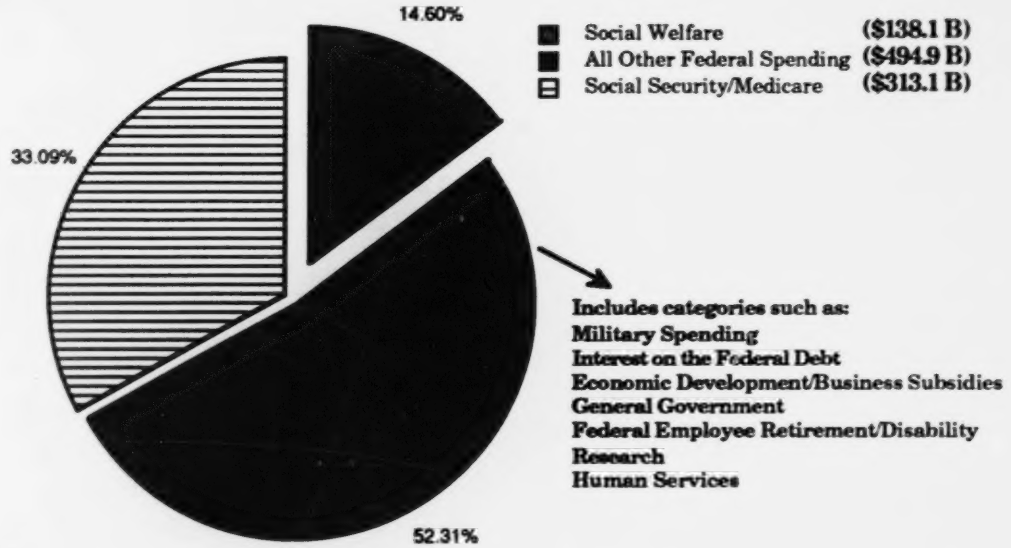
The major means-tested programs are AFDC, Food Stamps, Medicaid, and Supplemental Security Income (SSI). Government regulations strictly define eligibility for these programs. For instance, recipients are not permitted to own assets such as cars and savings accounts with a value over the legislated maximum, making it very difficult for families to achieve self-sufficiency.

Government also provides help to households in the form of subsidies such as student loans and low-interest mortgages. The GI Bill, which helped veterans go back to school after service in the Armed Forces, enabled many veterans to move into the middle class by giving them access to college degrees. The VA mortgage program, which provided low-interest loans to veterans, had a similar affect by bringing home ownership within the grasp of many families.

Almost all of us have benefitted from government redistribution of income through the tax system. Government provides income to firms and households in the form of tax expenditures, more commonly known as loopholes. A **tax expenditure** occurs when the government gives a special tax break to a business or a household, lowering their tax bills. But when your tax bill is lowered, government revenues from taxes fall -- so it increases the deficit just like a spending program.

The largest tax break received by households is the mortgage interest

Broad Categories of Federal Spending



Includes categories such as:
Military Spending
Interest on the Federal Debt
Economic Development/Business Subsidies
General Government
Federal Employee Retirement/Disability
Research
Human Services

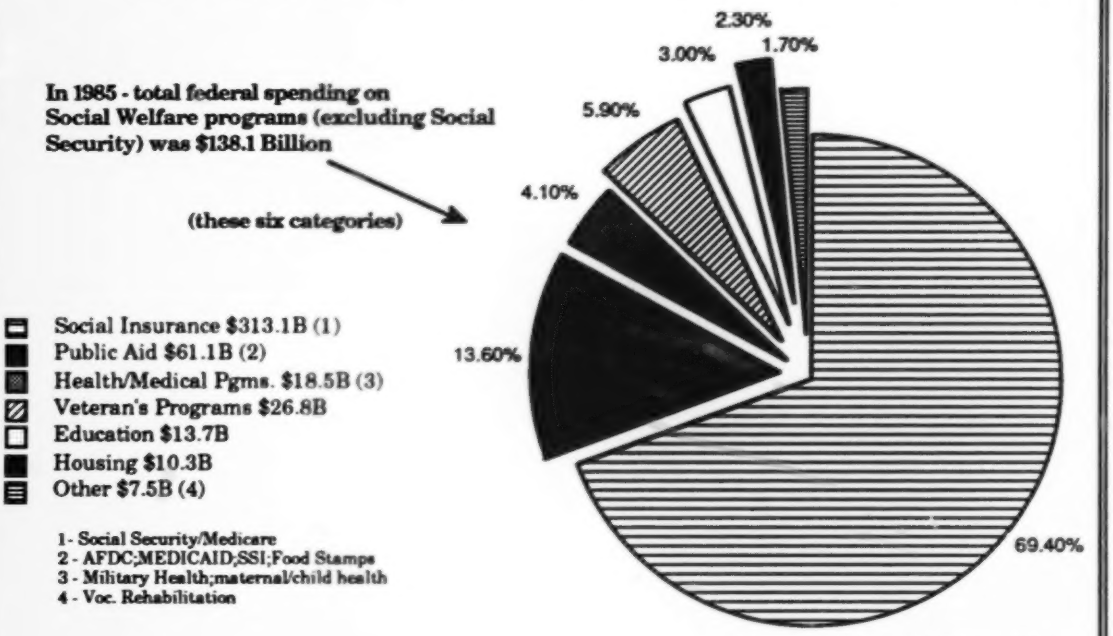
Source: Developed by A. Miller from Table 554; Statistical Abstract of the US - 1988

This graph provides general information about major spending categories at the federal level. It includes Social Security although this is funded through a trust which exists independently of the annual federal budget. This graph shows that Social Welfare programs account for a relatively small percentage of all federal spending (about $.15-.20 out of every dollar). The graph on the next page provides detail breakdown on the Social Welfare portion of this pie graph. Looking at both graphs together will give you a clearer picture.

deduction, which enables homeowners to pay a lower tax bill than renters with the same income. The mortgage interest deduction cost the federal government $27 billion in 1986. Families which pay for childcare can take a deduction on their income taxes, which lowers their tax bills by a percentage of their payments for childcare. This deduction cost the federal government $3 billion in 1986. Most of these tax breaks benefit middle- and upper-income families.

Businesses also benefit from tax expenditures. For instance, oil and gas companies are permitted to "write off" their expenses on exploration and development and, as a result, lowered their 1985 tax bills a total of $2 billion. In the same year, companies lowered their tax bills by $23 billion through a loophole called the **accelerated depreciation allowance.**

Poor Get A Small Slice of the Federal Social Spending



Source: Statistical Abstract of the US - Table 553

The six small pieces of this pie show the breakdown of federal spending for social welfare ($138.1 B). The social welfare programs specifically for the poor, i.e., (AFDC, Food Stamps, MEDICAID, etc.) account for about $61 billion, representing about 10% of total federal spending, when Social Security is excluded from the total.

Questions for Thought

Can you list all the various forms of government income which your family has received?

Why do you think the programs for poor people are means-tested?

What does this say about our attitudes toward poor people?

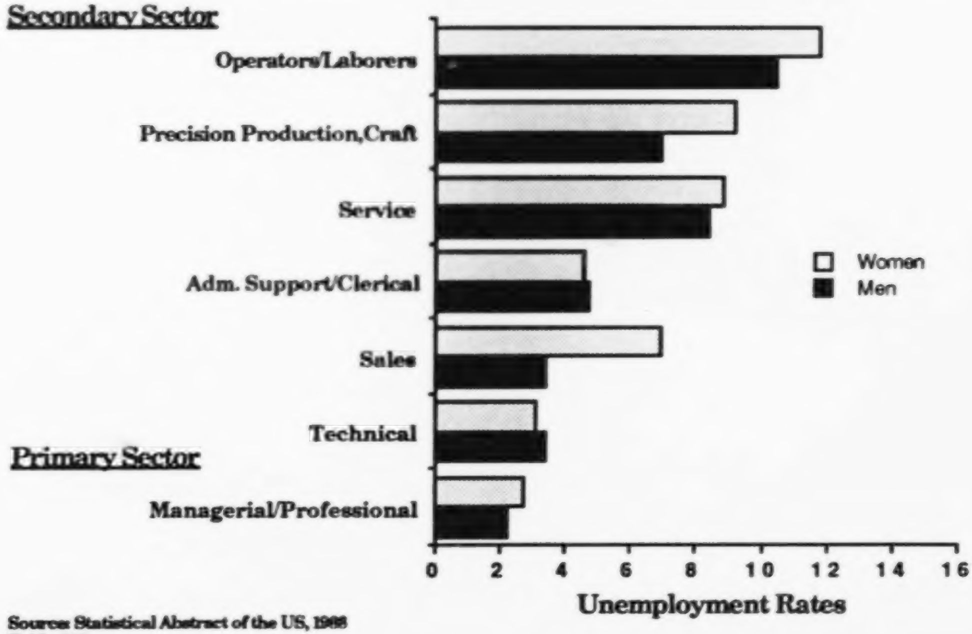
HOW DOES THE LABOR MARKET WORK?

Why do women earn so much less than men? Why are women of color even more economically disadvantaged than white women?

The answers to these questions lie in understanding how the labor market works. To see why white women and people of color have less income and more unemployment than white men, it is helpful to think of the labor market as a hierarchy consisting of the primary, secondary, and underground sectors.

The primary labor market contains jobs which offer high salaries, steady employment, and career ladders. There are two levels, or tiers, in the primary sector. In the upper tier, we find professionals (such as teachers, lawyers, and doctors) and executives (such as managers and heads of corporations). In the lower tier, there are unionized blue-collar workers such as autoworkers and steelworkers. Women clerical workers who are employed by government or by large corporations may be in this lower tier.

Unemployment is Higher in the Secondary Sector



Source: Statistical Abstract of the US, 1988
Table 636

NOTE: This chart tells us, for example, that 12% of women Operators and Laborers are unemployed compared to 10% of men in these secondary sector jobs. In contrast, roughly 3% of women and 2% of men Managers and Professionals are unemployed.

In contrast to the primary sector, secondary sector jobs provide low wages, few benefits, and little job security. Some examples of secondary labor market jobs are waiting on tables, fast food counter jobs, and clerical work in small businesses. Most secondary sector jobs are in the service sector, in manual labor, and in the lowest-wage manufacturing industries like apparel and textiles. A person can work full-time, year-round in a secondary sector job and still be poor if she is supporting a family on her wages alone. In addition, one of the many characteristics of the secondary labor market is that it is difficult to find full-time, year-round work. Many jobs are temporary, seasonal or part-time, and some have working conditions which are intolerable for long periods of time.

Up until the 1950s, white men dominated the primary sector. The vast majority of white women and people of color were confined to the secondary sector by discrimination and lack of access to education and training. Sometimes workers were segregated in certain jobs by discrimination on the part of other workers. For instance, for many years people of color and white women were effectively prohibited from becoming apprentices in the construction trades (bricklaying, carpentry, plumbing). This meant that only white men could learn construction skills and their wages were kept high by the high demand for their labor.

Even though discrimination is technically illegal today, a majority of white women and people of color are still found in the secondary sector. White women with education and training have increasingly gained access to the primary sector of the labor market since the 1970s, but it has proven very difficult for people of color to break into these jobs. In today's labor market, race and sex are still the best predictors of who will end up in which labor market segment.

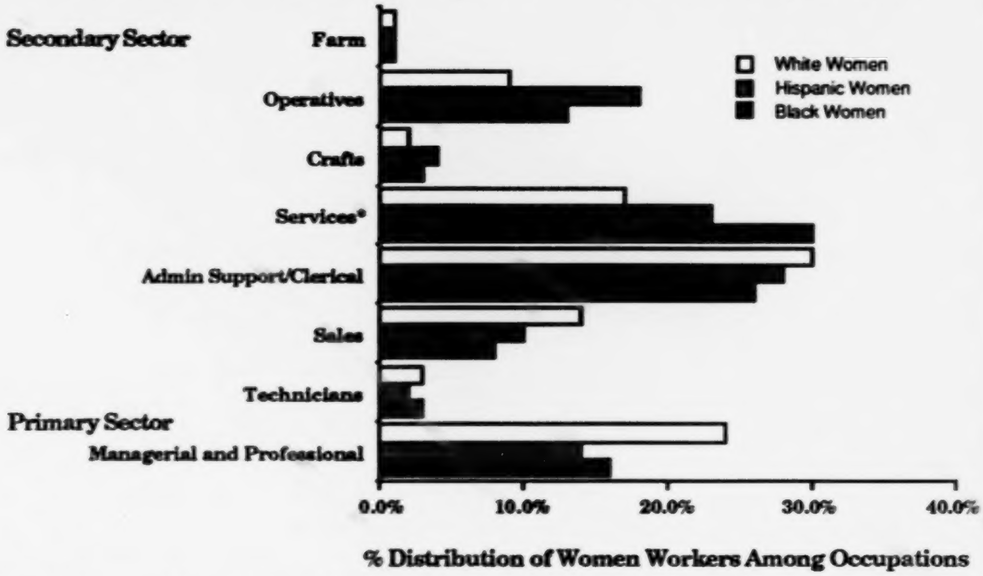
Even though conditions in the secondary labor market are difficult -- work is unstable, there are few benefits, and workers often have no protection against arbitrary firing -- working conditions are even worse in the underground economy. One part of the underground economy consists of illegal work such as prostitution, drug-trafficking, and gambling. Another part is work "off the books" where employers pay below minimum wages, and both employer and employee evade income taxes. The irregular economy is also the site of much of the work available to undocumented workers, whose vulnerability makes them easily controllable by unscrupulous employers.

How did these different labor markets arise?

Jobs are not inherently primary or secondary. For instance, blue-collar work may or may not pay high wages and offer fringe benefits. Where a job is located depends on many factors, including racism, sexism, monopoly power, and unionization. That means that we can, through organizing and public policy, change the conditions of jobs. Jobs can be upgraded to provide adequate wages and job security.

Primary sector jobs arose in the early 20th century as a

Women Are Likely to Work in Secondary Sector



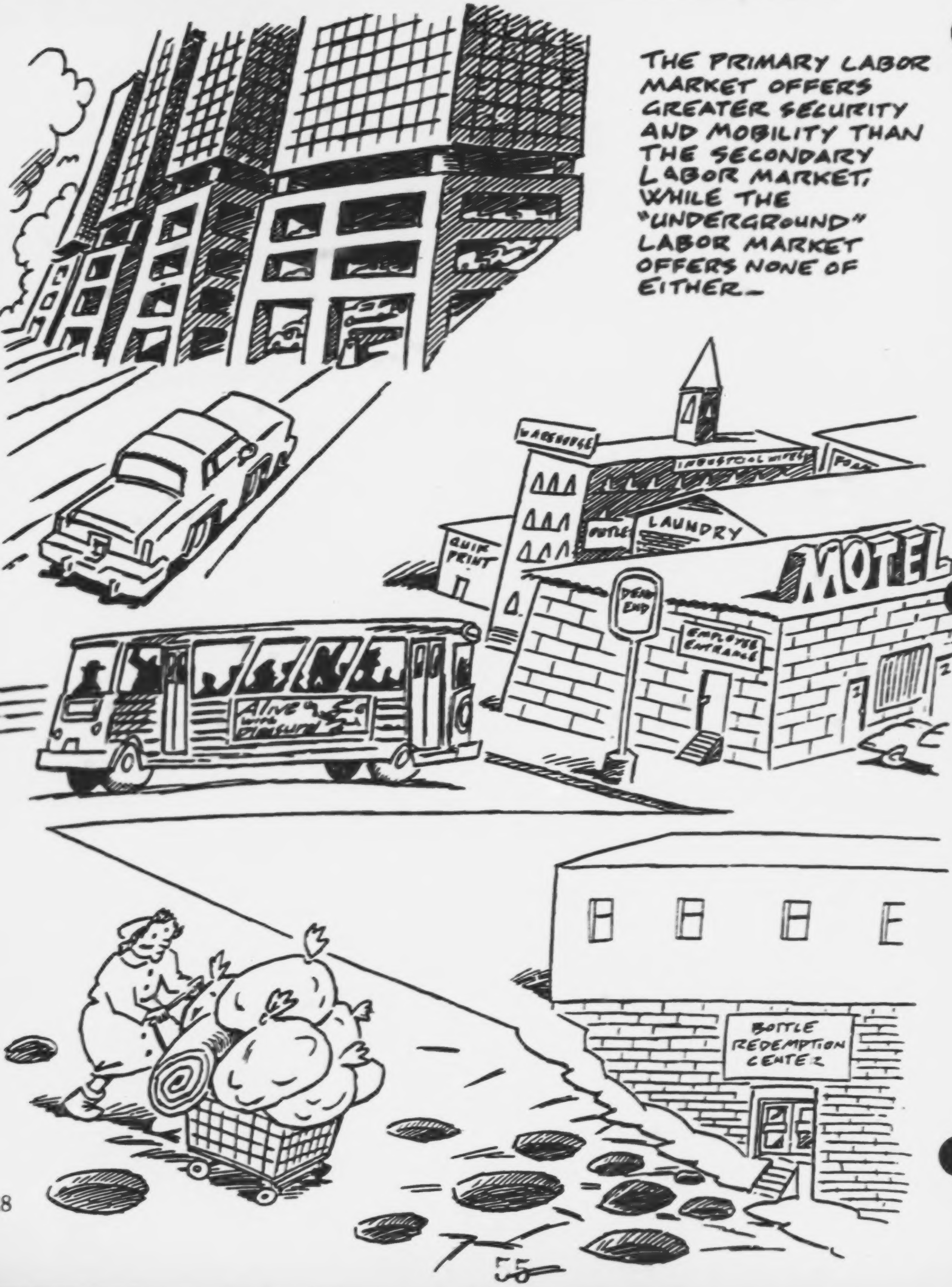
Source: National Commission on Working–An Overview of Minority Women in the Work Force

Note: This graph shows us that women, and especially women of color, are likely to work in secondary sector jobs. More than half of all women workers work in admininstrative support, clerical, or service jobs which usually pay lower wages, and have fewer benefits and less security than primary sector jobs.

byproduct of the growth of the modern large corporation. In some industries such as steel and automobiles, corporations grew large by eliminating their competition (monopolizing the industry) and, as a result, earned very high profits. If workers in these corporations had specialized skills or if they organized into labor unions, they could win high wages and guarantees of job security. The heyday of mass unionization in these industries took place in the 1930's and 1940's.

Not all industries lent themselves to the development of primary sector jobs. In some industries, profits were kept low by competition between companies, each trying to sell at the lowest price. Firms more actively resisted unions and could move easily from region to region to avoid union organizers. It was much easier for a garment manufacturer to load his sewing machines onto the back of a truck and move South (the original runaway shop) than for a steel mill to relocate. (Today, however, advanced technology has made it easy for even a steel mill to close its doors and move elsewhere in search of higher profits.) Workers who did not belong to unions were unable to gain job security and high wages, so their jobs came to be located in the secondary sector.

Secondary sector jobs also occurred where workers possessed few skills. Employers could easily replace unskilled workers--particularly when unemployment was high and many people were looking for work. Since workers were replaceable, they had low bargaining power, their wages were low and job security was not guaranteed.



THE PRIMARY LABOR MARKET OFFERS GREATER SECURITY AND MOBILITY THAN THE SECONDARY LABOR MARKET, WHILE THE "UNDERGROUND" LABOR MARKET OFFERS NONE OF EITHER.

WAREHOUSE
QUIK PRINT
OUTLET
LAUNDRY
MOTEL
DEAD END
EMPLOYEE ENTRANCE
BOTTLE REDEMPTION CENTER

Where Does Homemaking Fit In?

Many women do not work outside the home for pay. Traditionally, women have had primary responsibility for all the work of homemaking, including caring for children and other dependents, shopping, cleaning, and cooking. This sexual division of labor, which assigned homemaking work for women, has been an important reason why women are more likely to hold secondary labor market jobs. Since women were responsible for childrearing and other duties in the home, it was difficult for them to gain the skills necessary for primary sector jobs. In addition, primary sector jobs often involved long hours or mandatory overtime so secondary sector work was more compatible with homemaking.

Many of the jobs that women hold, sometimes referred to as the "pink collar ghetto," are extensions of their homemaking work. Women are the majority of elementary school teachers, nurses, waitresses, and cleaners. This occupational segregation of women in women's jobs is one facet of the broader labor market segregation which divides people into different labor market segments.

Economists measure the economic value of homemaking in two ways. The "replacement cost" approach asks how much it would cost to hire a paid worker to do childcare and general housework. One study using this approach estimated that the worth of a mother and homemaker providing 100 hours of on-call childcare in addition to general housework was approximately $35,000 per year. The second "opportunity cost" approach asks how much the average homemaker could make in the labor market if she worked full-time in a paid job. On average, that approach assigns an annual value of $16,232 for full-time year-round housework in 1986, equal to 1986 median earning of full-time year-round women workers in the U.S. labor market.

The Division of Labor is World-Wide

If we broaden our view to the entire world labor market, we see that the division of labor is worldwide. That means that nationality joins race and sex as good predictors of the kind of job a person will have. By knowing what country people live in, we can predict what kind of jobs are most available to them. For example:

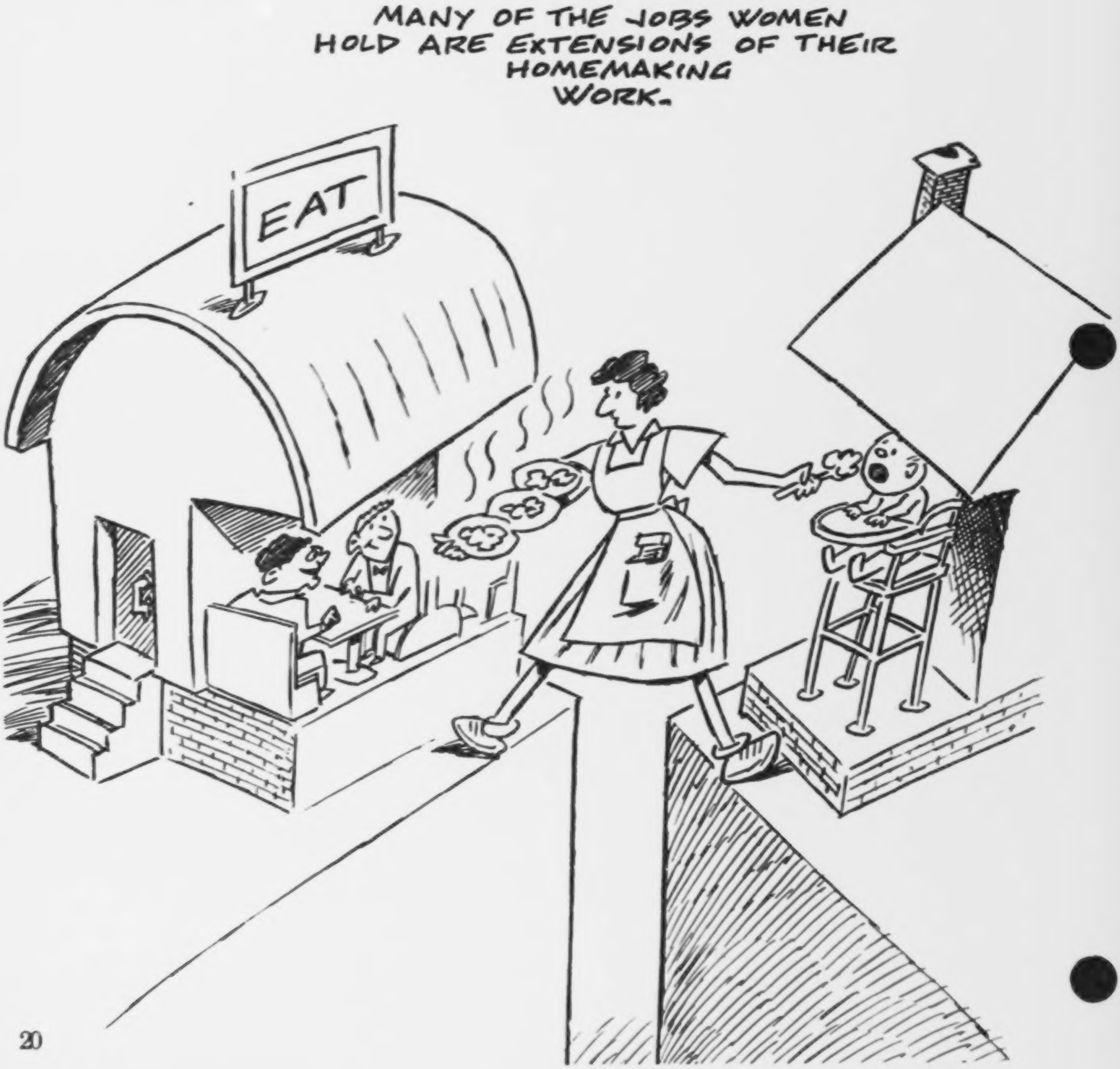
Workers in Mexico and Brazil are most likely to hold jobs in agriculture, growing crops for export, or in assembly-line manufacturing.

U.S. and Japanese workers are more likely to hold jobs in the areas of high technology and information processing.

Within countries, race and sex continue to be good predictors of who gets what kind of job. Sex is an important factor in the worldwide division of labor, as industries such as textiles, apparel and electronics seek to hire women workers for their supposed docility and manual dexterity. In most countries of the world, members of racial and ethnic minorities have the least desirable jobs.

Since the competition for jobs is now worldwide, workers in one country must compete against workers in another. Companies seek to produce in the lowest-cost area and to sell in the highest-income markets. That means that countries where wages are generally low are likely to attract investment and jobs, but much of what is produced in those countries will be exported to rich countries for sale.

As a result, the vast majority of people in countries to which jobs and investment are moving do not necessarily "win" in this global division of labor. Since employers are moving to their countries in search of lower wages,


MANY OF THE JOBS WOMEN HOLD ARE EXTENSIONS OF THEIR HOMEMAKING WORK.
EAT

governments in countries such as South Korea and South Africa have acted to repress trade unions which are fighting to achieve higher wages and better working conditions.

We can change the global division of labor, both by working within our own countries to upgrade the conditions of jobs, and through development policies in other countries which aim to create good jobs at adequate wages for all of the country's citizens. For instance, in the United States, we can put pressure on the governments of our trading partners to respect the human rights of workers, using sanctions such as those imposed by many countries on the government of South Africa. We can demand, through consumer actions, boycotts, union demands and public policy, that overseas employees of U.S.-based multinational companies are accorded the same treatment as U.S. employees. And we can work through the United Nations to ensure that multinational corporations behave responsibly around the world.

Questions for Thought

Is your job in the primary, secondary, or underground sector?

To categorize your job, look at the wages, fringe benefits, job security, and working conditions available to you.

Why do you think your job is in that sector?

Do you work for a large corporation, for a small business, for state, local or federal government, or for a nonprofit agency?

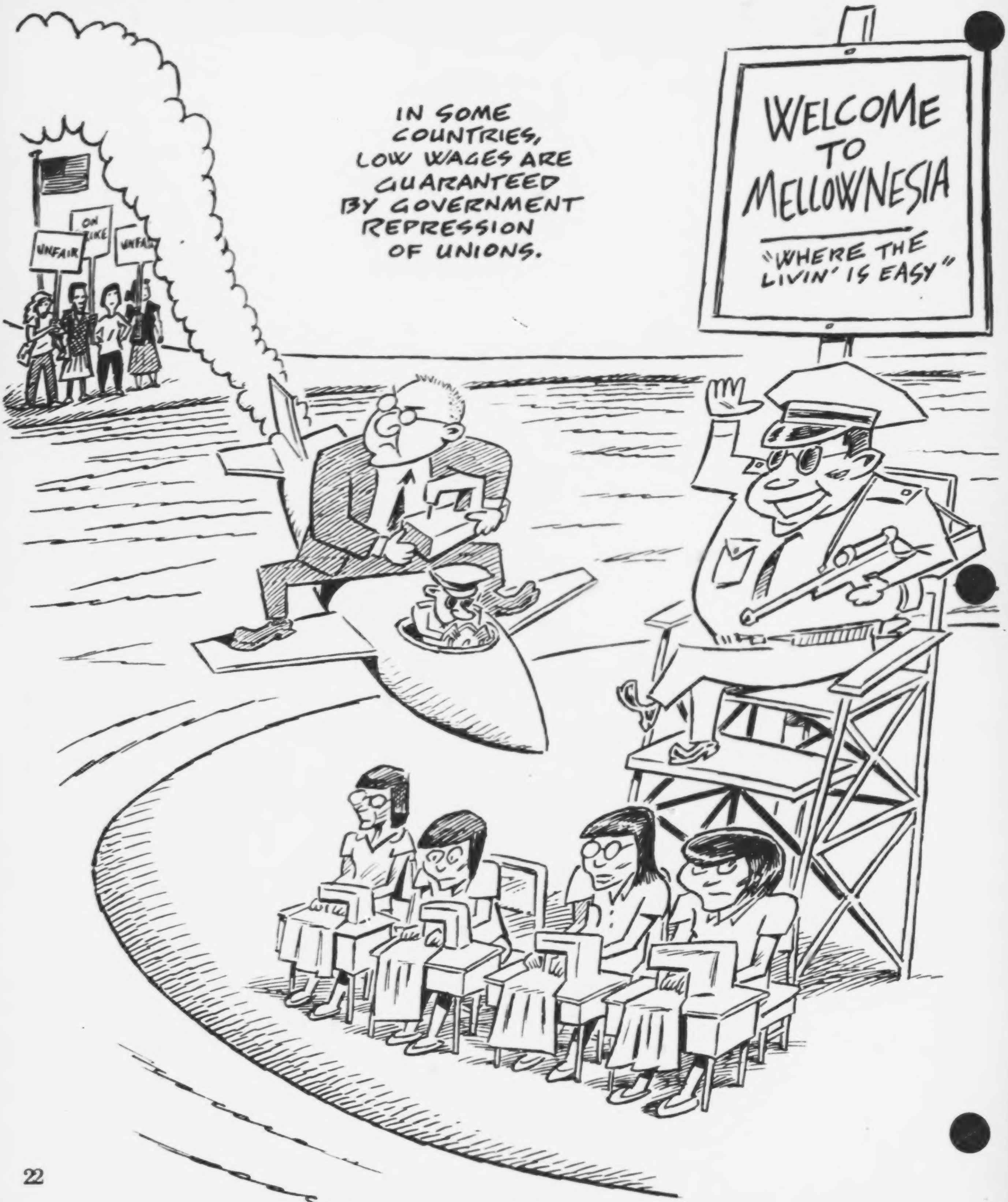
Do you belong to a union? What is the history of unionization efforts in your workplace?

Does your job require specialized skills, advanced education, or on-the-job training?

What kind of jobs are growing in your region?

Are there more part-time and temporary jobs than full-time work?

Have there been plant closings in your region? What kinds of jobs have been lost?


IN SOME COUNTRIES, LOW WAGES ARE GUARANTEED BY GOVERNMENT REPRESSION OF UNIONS.
WELCOME TO MELLOWNESIA
"WHERE THE LIVIN' IS EASY"
UNFAIR
ON STRIKE
UNFAIR

WHY DON'T WE HAVE FULL EMPLOYMENT?

Where are all the manufacturing jobs going?

Unemployment and the U.S. Economy

The term full employment means that everyone who is willing and able to work has a job. But the U.S. economy is hardly ever at full employment. The official unemployment rate is the percentage of people actively looking for work who cannot find a job. During World War II, for example, the unemployment rate was very low because factories were working overtime to produce war supplies and because most men were in the Armed Forces. But full employment is the exception, not the rule. Usually, millions of people are unemployed.

Even at full employment, the unemployment rate is not zero. Some people are between jobs and taking some time to find the best offer.

Our economy produces unemployment for three basic reasons:

- **labor market segmentation**
- **the global division of labor and the decline of US manufacturing**
- **the ups and downs of the economy, which we call the business cycle or an economic crisis.**

Labor Market Segmentation and Unemployment

Workers in different sectors of the labor market--primary, secondary, or underground--have very different risks of becoming unemployed because some unemployment is caused by the characteristics of the job, not of the workers. Workers in the secondary sector have higher unemployment rates than primary sector workers because the secondary sector is very unstable and offers few protections against arbitrary firing. As a result, secondary labor market workers have higher unemployment rates than primary labor market workers. For instance:

If you are a farmworker, you will only work during the harvest seasons. If you are a waitress, you may lose your job because new restaurants have a high bankruptcy rate (1 in 2 new restaurants fails in the first year of operation).

Since women and people of color are concentrated in the secondary sector, the unemployment rate for Black and Hispanic women is more than twice as high as that for white women, and even higher than that of white men.

Although statistics are not available on the underground economy, we can guess that workers in that sector have the highest unemployment of all. If you are an undocumented worker, you can be fired at will and you will have very little recourse.

Workers in both the primary and secondary sectors will also face unemployment because of the basic structure of the economy. A capitalist economy is also changing and adapting to new opportunities to earn profits. Many of these new opportunities occur because of new technologies. New technologies can cause businesses to replace workers with machines, a process known as **automation.**

For instance, if it is cheaper to provide long-distance telephone services without human operators, the companies will automate--not because they do not value their workers, but because they are engaged in competition with other companies who will automate. If the operators cannot find new jobs, they will be unemployed.

Other opportunities for new profits arise as companies seek to earn profits by competing in the global marketplace. Sometimes this involves moving production to other countries, either to seek lower costs or to break into new markets.

The Global Division of Labor and Unemployment

Since business people want to earn the highest possible profits, they will take advantage of every profitable opportunity, in particular opportunities to cut costs. For instance, if more money can be made by producing steel in Malaysia than in Pennsylvania, steel companies will move production to Malaysia. Pennsylvania workers will be laid off--not because steel companies don't like Pennsylvania workers, but simply because the impersonal workings of the profit motive compel them to behave in this manner.

Many jobs in the United States have been lost, particularly in the manufacturing sector, as companies have moved plants overseas. When the economy is growing and healthy, unemployed workers can find new jobs in other industries, companies, or areas of the country. But this smooth transfer to another job doesn't always happen. Of the 5.1 million workers who lost their jobs during the period from 1981-1983, three-fifths were still unemployed or had given up looking by January, 1984.

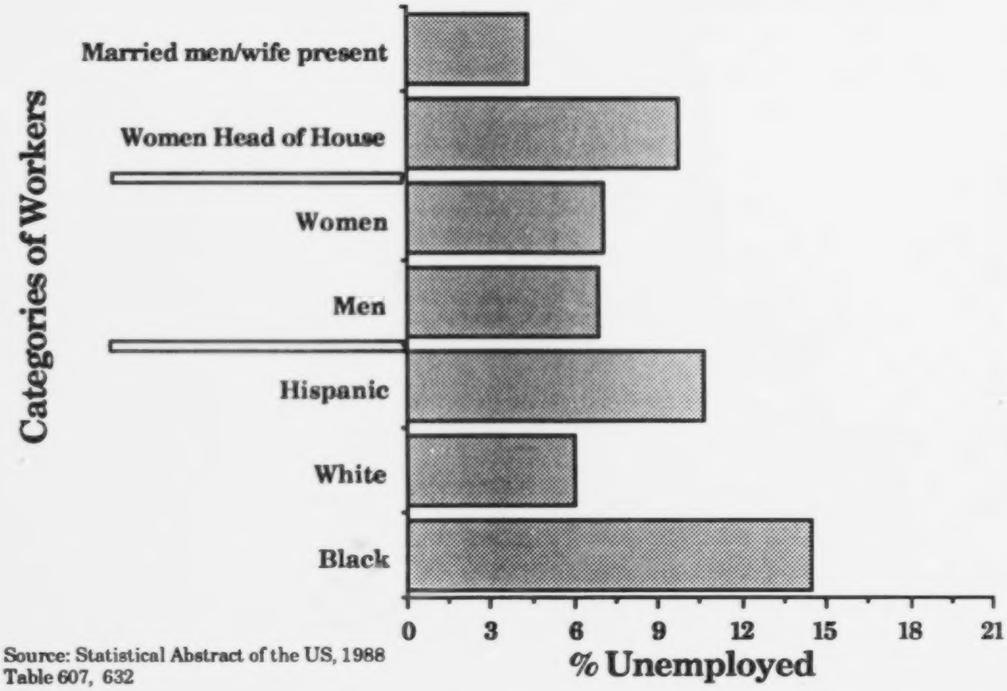
Economic Ups and Downs

Sometimes unemployment can spread beyond an individual industry or region, resulting in serious, widespread unemployment for the whole US economy. This happens quite often--in the United States, for example, over the past 150 years there have been 33 **recessions** and two **depressions**. A recession is a short-term slump in the economy where unemployment rises and remains at a high level for between one and three years. A depression is a more long-term slump, such as the Great Depression of the 1930's. When unemployment falls and the economy resumes normal growth, this is called a **recovery**.

The swing between recession and recovery is called the **business cycle**, and can be caused by a variety of factors. Generally, a recession is triggered when spending falls for some reason. For instance, if consumers stop buying cars, automobile workers will be laid off. They, in turn, will cut back on their spending on housing, food, clothing, and other items. But this snowballs into more unemployment for construction workers, farmers, seamstresses, and other workers. Our most recent recession happened in 1981, when interest rates rose so high that spending on housing and automobiles fell sharply.

Unemployment Hits Unevenly

(Unemployment in the US Civilian Noninstitutional Population 16 yrs. and older)



Source: Statistical Abstract of the US, 1988
Table 607, 632

This graph shows that the unemployment rates among various groups within the population vary. For example, the rate among Blacks is higher than that of other racial or ethnic groups. The rate for women is slightly higher than that of men when all men and all women are considered. The unemployment rate for women who head households is more than double that of male heads of households. Women heads of households and people of color are more likely to be unemployed than other groups within the labor market.

Can Government Do Anything About Recessions?

Since the 1950's, government has often stepped in during recessions to restore spending power to the system. For instance, government can increase welfare payments to the unemployed to restore their purchasing power or it can hire workers to build highways and other public works. When government spends in this way, it puts income into the hands of citizens, stopping the downward slide of unemployment → low spending → further unemployment. Tax cuts serve the same purpose, putting dollars into the hands of consumers and creating jobs.

When government spends to bring the economy out of a recession, it is performing **fiscal policy**. As citizens, we have control over the role government plays in providing more jobs. For instance, in 1946, and again in the 1970's, Congress passed laws committing the government to use its spending and taxing power to promote full employment.

Another way to bring the economy out of a recession--one used in 1983--is to lower interest rates to encourage consumers and firms to borrow and spend. This is called **monetary policy**, and is accomplished by the Federal Reserve Board. The "Fed," as it is commonly called, is an agency charged with the task of controlling credit and lending by changing interest rates and by determining how much money is available in the economy to be borrowed and lent. The Fed also supervises and regulates the nation's banking system.

Sometimes a recession is the result of intentional government policy designed to lower inflation. In 1981, for instance, inflation was considered a very serious problem. The Fed raised interest rates in order to cut down on borrowing and spending, which meant that many workers lost their jobs. At the height of this recession, almost 12 million people were unemployed. The result was that wages fell (since if there is high unemployment workers lower their wage demands) and eventually firms slowed the pace at which they raised prices. By 1983, the rate of inflation had slowed enough so that the Fed permitted interest rates to fall.

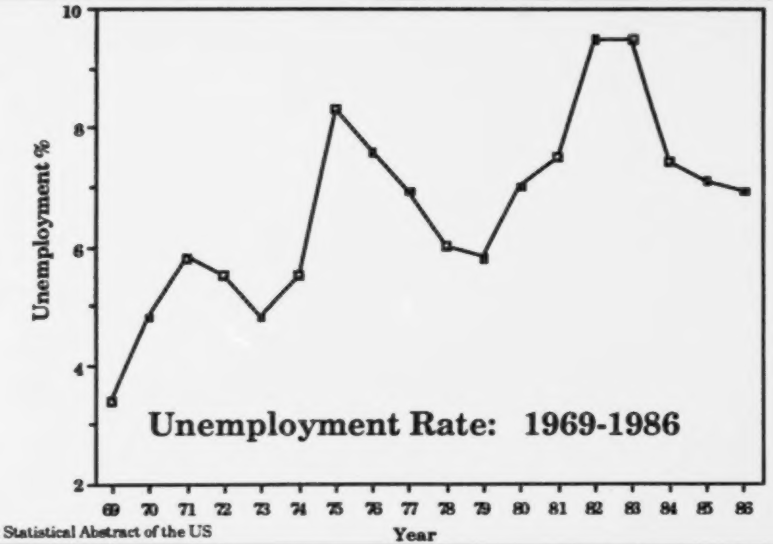
GOVERNMENT
Can Use

FISCAL POLICY
which involves

- **taxing**
- **spending**

MONETARY POLICY
which controls

- **credit**
- **interest rates**
- **supply of money**



SOURCE: Statistical Abstract of the US

Why Did the U.S. Economy Go Downhill in the 1970's?

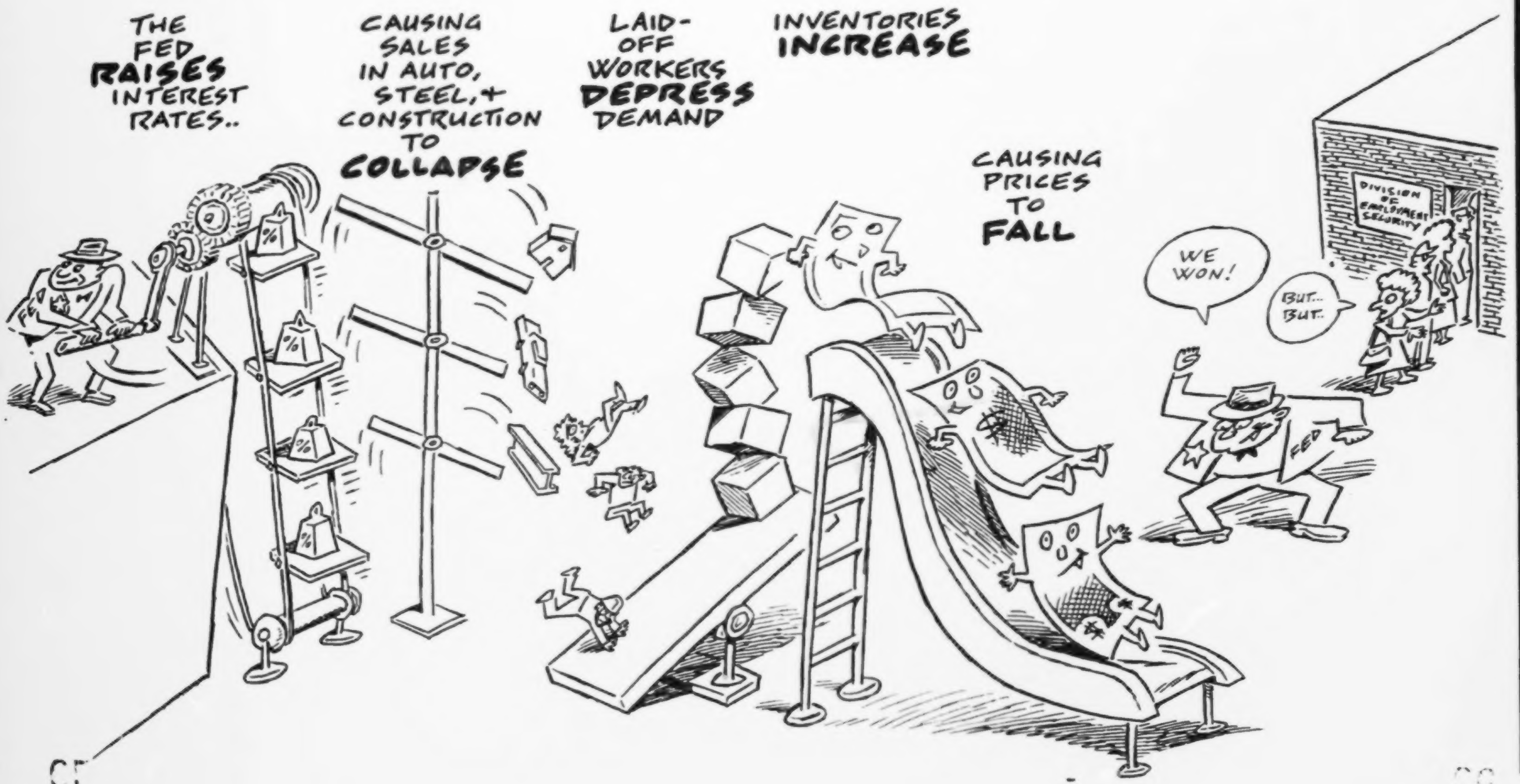
When unemployment problems go on for a long time, we say the economy is in a depression or an economic crisis. Many economists argue that the current US economic troubles constitute an economic crisis which began sometime in the late 1960's and early 1970's. To understand this crisis, it is helpful to understand the boom which preceded it.

During the twenty years following World War II, most Americans experienced constantly rising incomes because **inflation** was low and jobs were generally available. People of color did not share equally in the growing prosperity but they did see an improvement in their economic status.

Our general prosperity during the 1950's and 1960's was built on US dominance of the world marketplace. We had emerged from World War II as the only major industrialized nation whose factories and farms were intact, so the rest of the world depended upon our output of machinery and food. Because our products were so needed by the rest of the world, other countries needed to trade with us, and we were able to buy raw materials from them at low prices.

Our military power reinforced our economic power because we stood ready to intervene militarily whenever our economic interests were threatened. One example of this occurred in the 1950's, when the Prime Minister of Iran threatened to take over US oil companies based in Iran. At that time, we installed a new leader in Iran by assisting him in a military coup.

WAR ON INFLATION:


THE FED RAISES INTEREST RATES..
CAUSING SALES IN AUTO, STEEL, + CONSTRUCTION TO COLLAPSE
LAID-OFF WORKERS DEPRESS DEMAND
INVENTORIES INCREASE
CAUSING PRICES TO FALL
FED
%
DIVISION OF EMPLOYMENT SECURITY
WE WON!
BUT... BUT..
FED

The net result of our economic and military power was that our standard of living was much higher than that of the rest of the world. For example, gasoline prices were relatively lower in the US than in other countries, spurring the growth of the automobile and highway industries and contributing to the "suburbanization" of America. In Europe, where gas prices were high, cars were smaller and more people used public transportation.

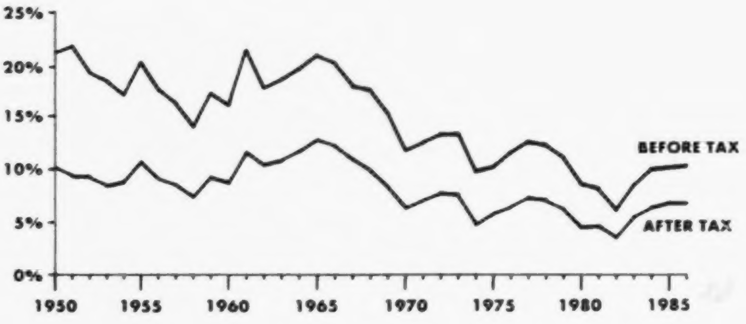
The Civil Rights, anti-poverty, and women's movements of the 1960's and 1970's tried to spread this prosperity more evenly through political pressure for Affirmative Action and social programs. Many gains were made during this period, and the poverty rate fell to its lowest level ever in 1973. Other social movements such as the environmental movement and the movement for workers' rights pressed for legislation setting standards for air and water purity and job safety during this period.

But sometime in the late 1960's and early 1970's, problems began to surface which threatened the prosperity Americans had come to take for granted. Other countries began to catch up with us. Some, like Japan and West Germany, built newer and more modern factories. Others, like Brazil and South Korea, built new factories and took advantage of a low-wage workforce. As a result, the US began losing its dominant position as a world economic power.

Some Third World countries, such as those united in **OPEC,** began to demand a higher price for the

CORPORATE PROFIT RATES

(corporate profits with inventory valuation and capital consumption adjustments as % of fixed noresidential private capital stock



Source: A Field Guide to the US Economy
Center for Popular Economics, 1987

products they sold to us. **Raw materials** prices rose, particularly energy prices. US workers responded by trying to keep their **standard of living** intact, and demanded **cost of living** increases in their wages. As a result of all these factors, profits for US-based businesses were squeezed from a variety of directions.

Businesses responded by trying to raise prices to recover profitability in the face of higher raw material and labor costs. They also urged politicians at the state and national level to cut corporate taxes and to ease environmental and job safety standards. Some companies moved abroad or automated (replaced workers with machines), and jobs vanished from the United States.

Unemployment climbed along with inflation, producing a combination called **stagflation**. The result for workers was a stagnation in the standard of living: even today, the **purchasing power** of an average worker's paycheck is less than it was in the early 1970's. Primary sector workers were hardest hit by layoffs, and workers in the secondary sector had trouble winning pay increases and better working conditions.

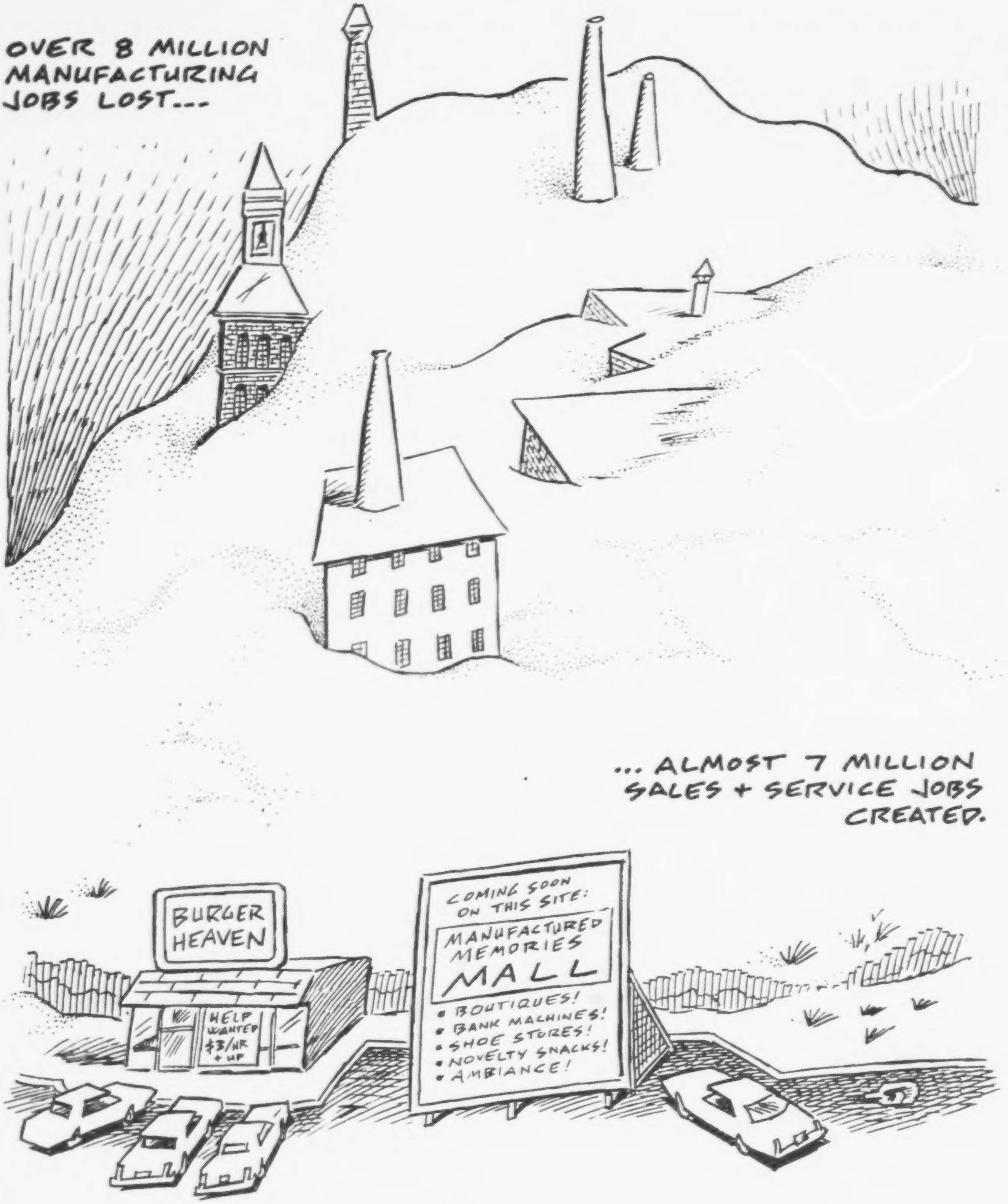
How Were Women Affected by the Crisis?

Women were affected by the crisis in several ways. Employers increasingly turned to temporary and part-time workers in order to save on fringe benefit costs, but this translated into the growth of secondary sector work for women. Married middle-class white women who had previously not participated in the labor market sought paid jobs to bolster family income, but found that few jobs paid enough to maintain their family's standard of living.

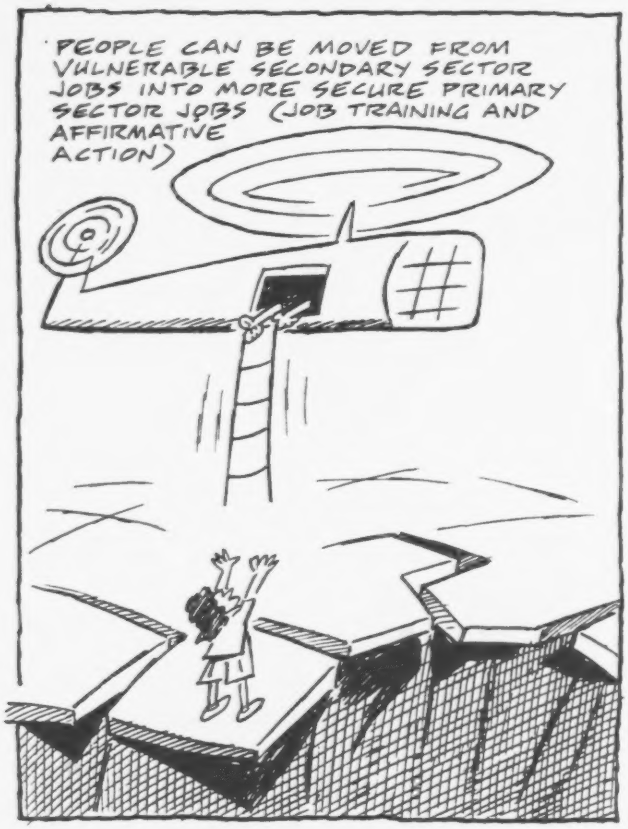
Between 1980 and 1985, nearly 7 million jobs were created in the sales and service sectors of the economy, where a majority of employees are women. In 1984, service sector workers averaged $7.64 per hour, compared to manufacturing workers who averaged $9.18 per hour. Only 7% of service sector workers were union members, compared to 26% of manufacturing workers.

Lower-income women experienced more unemployment and cutbacks in government social programs. All in all, in every class, racial and ethnic group, more and more women found that they had to work harder to stay in the same place.

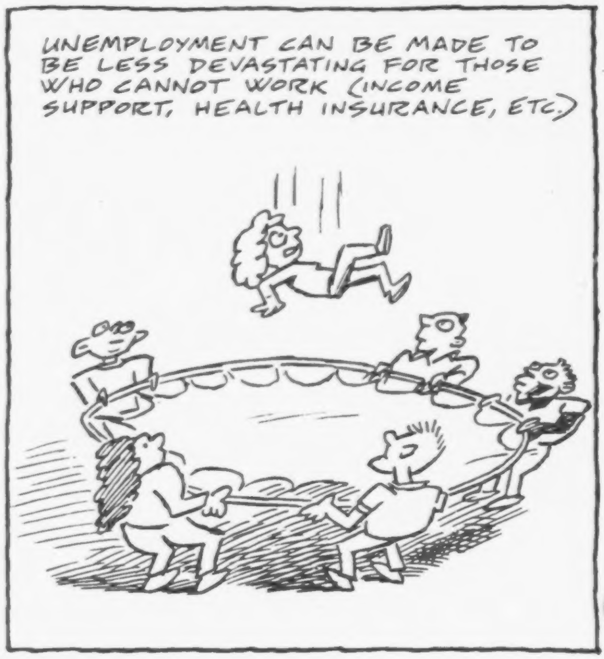
During the same years that saw the advent of the economic crisis, increasing numbers of women chose to be single by postponing marriage, divorcing or separating from their husbands, or choosing not to marry at all. Thus, more and more women set out to live differently at the very time that the economic crisis threatened their economic independence. It is not surprising that so many women fell into poverty during this period.


OVER 8 MILLION MANUFACTURING JOBS LOST...
...ALMOST 7 MILLION SALES + SERVICE JOBS CREATED.
BURGER HEAVEN
HELP WANTED $3/HR + UP
COMING SOON ON THIS SITE:
MANUFACTURED MEMORIES MALL
• BOUTIQUES!
• BANK MACHINES!
• SHOE STORES!
• NOVELTY SNACKS!
• AMBIANCE!

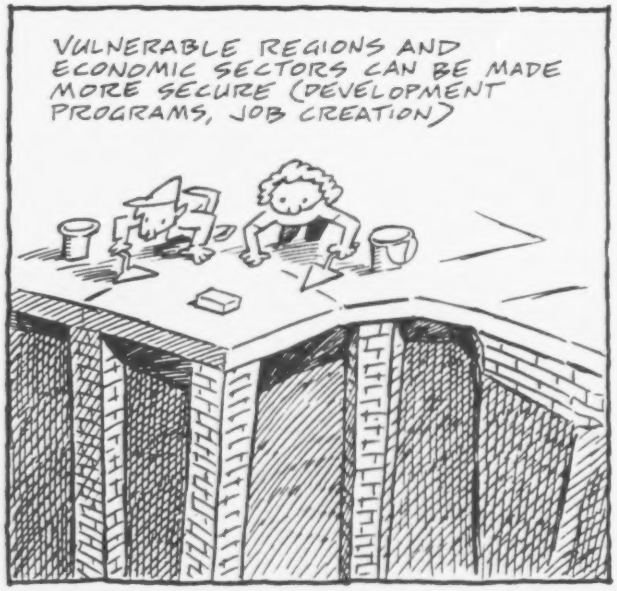
WHAT (ASIDE FROM FISCAL POLICY) CAN BE DONE ABOUT UNEMPLOYMENT?



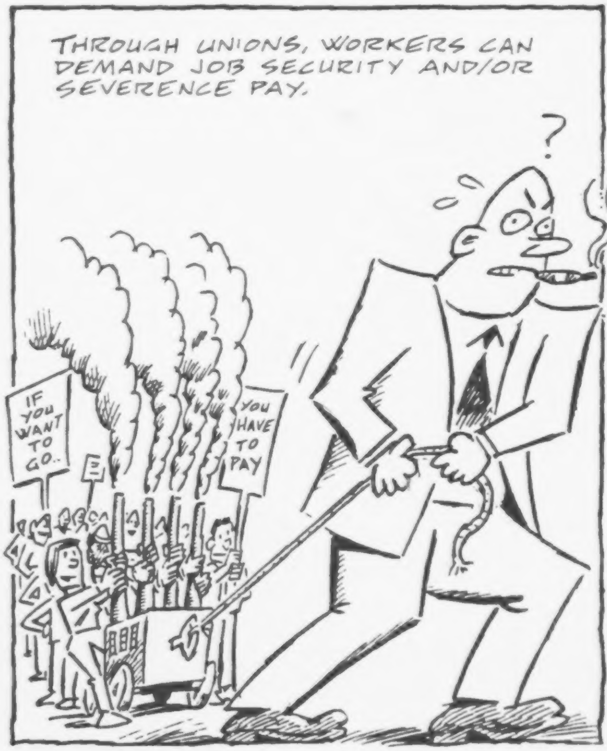
PEOPLE CAN BE MOVED FROM VULNERABLE SECONDARY SECTOR JOBS INTO MORE SECURE PRIMARY SECTOR JOBS (JOB TRAINING AND AFFIRMATIVE ACTION)



UNEMPLOYMENT CAN BE MADE TO BE LESS DEVASTATING FOR THOSE WHO CANNOT WORK (INCOME SUPPORT, HEALTH INSURANCE, ETC.)



VULNERABLE REGIONS AND ECONOMIC SECTORS CAN BE MADE MORE SECURE (DEVELOPMENT PROGRAMS, JOB CREATION)



THROUGH UNIONS, WORKERS CAN DEMAND JOB SECURITY AND/OR SEVERENCE PAY.

?
IF YOU WANT TO GO..
YOU HAVE TO PAY

What Else Can Be Done About Unemployment?

Through government action, organizing, and education, we can help to protect people against unemployment. Affirmative Action programs which help groups previously trapped in the secondary sector to move up into the primary sector jobs are one way to lower the high unemployment in communities of color. Government programs such as the federal highways program and the Tennessee Valley Authority can create new jobs in regions like Appalachia where unemployment has always been high. We can also work to improve programs which provide access to income and health insurance for the unemployed. Unions have organized to protect their members from unemployment by negotiating for job security and severance pay. Training programs can also move people into more stable primary sector jobs.

Questions for Thought

Have you or any member of your family ever been unemployed? Was it a temporary layoff or were you fired for good? Were you unemployed during a recession? (Some recent recessions have been in 1970, 1973-74, and 1981-82). Was your job a primary, secondary, or underground economy job?

Has global competition had an impact on your family? For instance, do you purchase more imported goods? Have you lost your job as a result of competition from imported goods?

How has your life been changed by the current economic crisis? Have more members of your family taken on paying jobs? Does the cost of living exceed your means? Have you gone into debt to maintain your standard of living?

What do you think the economic future holds for your family?

What do you think the economic future holds for the US economy as whole? Do you think we will ever dominate world markets again -- that is, will US goods and services be in high demand throughout the world economy? Do you think we should dominate world markets?

Where does the blame lie for our failure to keep up with global competition – on unions, other countries, immigrants, corporate management, government, or workers in other countries?

GLOSSARY

ACCELERATED DEPRECIATION ALLOWANCE is a tax loophole which allows companies to "write off" the value of a piece of equipment in a smaller number of years than its normal life, thus reducing their taxes immediately after the purchase. It is intended to stimulate new investment in equipment.

BONDS are I.O.U.'s from a borrower (such as the U.S. government, a city or state government, or a corporation) to a lender, promising to repay the loan with interest. For instance, if you own a U.S. government bond, it means that you have a piece of paper on which the government promises to pay you a certain sum of money (the principal) at some time in the future plus interest.

BUSINESS CYCLE is a fluctuation in total economic activity (the production of goods and services) over time, as the economy moves from recession through recovery. Over the cycle, unemployment rises and then falls.

CAPITAL consists of resources such as factories and equipment used to produce other goods and services.

CAPITAL GAIN/CAPITAL LOSS is the difference between the price at which an asset (such as a stock, bond, or piece of property) is bought and the price at which it is sold. For instance, if you buy a house at a low price and sell it at a high price, you have earned capital gain; and if the selling price is lower than the buying price you suffered a capital loss.

CAPITALISM is an economic system in which products are produced for profit using privately owned capital goods and wage labor. Capitalism is the main economic system in the U.S., Japan, Western Europe, and some 80 other countries.

CONCENTRATION is the extent to which the production in an industry is carried out by the largest firms. Automobile production, for example, is highly concentrated (four firms account for most of the cars produced in the U.S.) while restaurant food production is not concentrated (there are millions of restaurants producing and selling food).

CORPORATIONS are firms which raise money to buy capital goods by selling shares of stock. The owners of the stock shares earn dividends, which are a share of the corporation's profit.

COST OF LIVING is the amount of money you need to buy a certain set of goods and services and thus achieve a certain standard of living. If prices rise in an inflationary time, the cost of living rises because the amount of money you need to maintain your standard of living goes up.

COSTS OF PRODUCTION are the costs paid by businesses to produce goods and services. They include wages paid to employees, the costs of raw materials, the cost of advertising and marketing the product and, the interest paid on borrowed money. Profits are the difference between the revenues earned by the firm and the costs of production.

DEPRESSIONS are severe downturns in economic activity, in which very little is produced and sold. Unemployment is very high and factories are idle. During the Great Depression of the 1930's, roughly 1/4 of U.S. workers couldn't find a job.

DIVIDENDS are the payments from a corporation to its stockholders. These are usually paid quarterly out of a corporation's profits.

EXPORT CROPS are agricultural goods raised and sold abroad rather than used to feed a country's population. For instance, much agricultural land in parts of Central and South America is used for growing coffee as an export crop.

FISCAL POLICY consists of tax and spending plans of the U.S. government which are used to guide the economy out of recession (lowering taxes or raising government spending) or to cut back on inflation (raising taxes or lowering government spending).

INFLATION is an increase in prices, which lowers the purchasing power of money.

INTEREST means different things to different people. To a borrower, it is the cost of a loan, expressed as a percent which must be repaid for the privilege of borrowing. To a lender, such as a bank or the owner of a bond, it is the percent earned on money lent out.

LABOR MARKET is a market in which employers are the demanders and workers are the suppliers of labor time. The price of labor time is the wage.

MARKETS refer to the buying and selling activities of those persons wishing to trade a good or service. A market consists of suppliers wishing to sell and demanders wishing to buy.

MEANS OF PRODUCTION are machines, buildings, offices, tools, and other durable things needed in production whose owner, because of his or her property rights, determines how the property will be used.

MEANS-TESTED refers to government programs where income is available only to those with little means (low income and few assets).

MONETARY POLICY is the use of interest rates and money supply changes to control the business cycle. During recessions, the Federal Reserve Bank lowers interests rates to try to stimulate more spending; during inflationary periods, the Federal Reserve raises interest rates.

MONOPOLY POWER is the ability of one or a few firms in an industry to exercise control over the market price and other aspects of competition, usually by excluding other firms. For instance, the electric company has monopoly power: consumers don't have any choice.

OCCUPATIONAL SEGREGATION refers to the fact that most jobs in the U.S. economy are performed by members of one sex or race group. Most plumbers are men, while most childcare workers are women. The economy is also racially segregated. For instance, most lawyers are white.

PINK COLLAR GHETTO consists of those jobs which are occupationally segregated and mainly held by women, such as clerical work, teaching, nursing, and food service work.

POVERTY LEVEL is the level of income below which the Federal government considers a family poor. In 1986, the poverty level for a family of 3 was $8,741. The level is set by estimating how much a minimally nutritional food budget would cost and then multiplying those food costs by 3 (on the assumption that low-income families spend one-third of their income on food).

PRIMARY SECTOR OF THE LABOR MARKET consists of jobs which offer high pay, benefits, some job security, opportunities for advancement and on-the-job training. The primary sector is divided into the first tier (managerial and professional jobs) and the second tier (unionized blue collar jobs).

PRIVATE OWNERSHIP refers to the rights of some to own and use property. Capitalism is built on the private ownership of capital goods while socialism is built on the public ownership of those goods.

PROFITS are the difference between a firm's revenues and its costs. In capitalism, firms which cannot make a profit go out of business.

PROPERTY consists of things one owns. In capitalism, capital goods can be private property; in socialism they cannot.

PURCHASING POWER refers to the amount of goods and services which your money will buy. If prices rise, the purchasing power of money falls.

RAW MATERIALS are goods needed to produce another product. For instance, sugar is a raw material for baked goods, and iron ore is a raw material for steel.

RECESSION is an economic downturn during which we produce, sell and buy fewer goods and services. It is the part of the business cycle in which total production in the economy falls; during recessions unemployment rises. Recessions are milder and shorter than depressions.

RENTS are income earned by owners of land or equipment hired out to others for use.

RUNAWAY SHOP is a term used to describe the movement of a company from one community to another in search of lower wages, nonunion workers, or less strict safety and environmental regulations. The term originated in the 1930s, when garment manufacturers would load their sewing machines (their capital) on trucks and move them South to evade union organizers.

SECONDARY SECTOR OF THE LABOR MARKET includes jobs in workplaces that offer low pay, few benefits, and little job security. Jobs in this market include service and retail workers, seasonal workers, and nonunionized employees of small businesses.

SEXUAL DIVISION OF LABOR refers to occupational segregation in the labor market and to the fact that women do most of the unpaid work in the home (cooking, cleaning and childcare) while men tend to do less housework and childcare.

STAGFLATION refers to the combination of slower economic growth (stagnation) and generally rising prices (inflation) that characterized the 1970s.

STANDARD OF LIVING refers to the quality of life. Aspects of the standard of living include the level of income and the goods and services that income can buy and the quality of the environment.

STOCKHOLDERS are technically the owners of a corporation because they own shares of stocks which entitle them to vote on how a corporation should be run. If one person or family owns a majority of stock in a company, they can control the corporation.

STOCKS are shares of a corporation which are bought and sold. The buyer of a corporation's stock becomes a stockholder. When s/he sells the stock, s/he can earn a capital gain or a capital loss, depending upon whether the price at which the share sells is higher or lower than the price at which it was originally bought.

TAX EXPENDITURES or loopholes are tax breaks given to companies or individuals by the government. As a result, the government does not collect tax revenue.

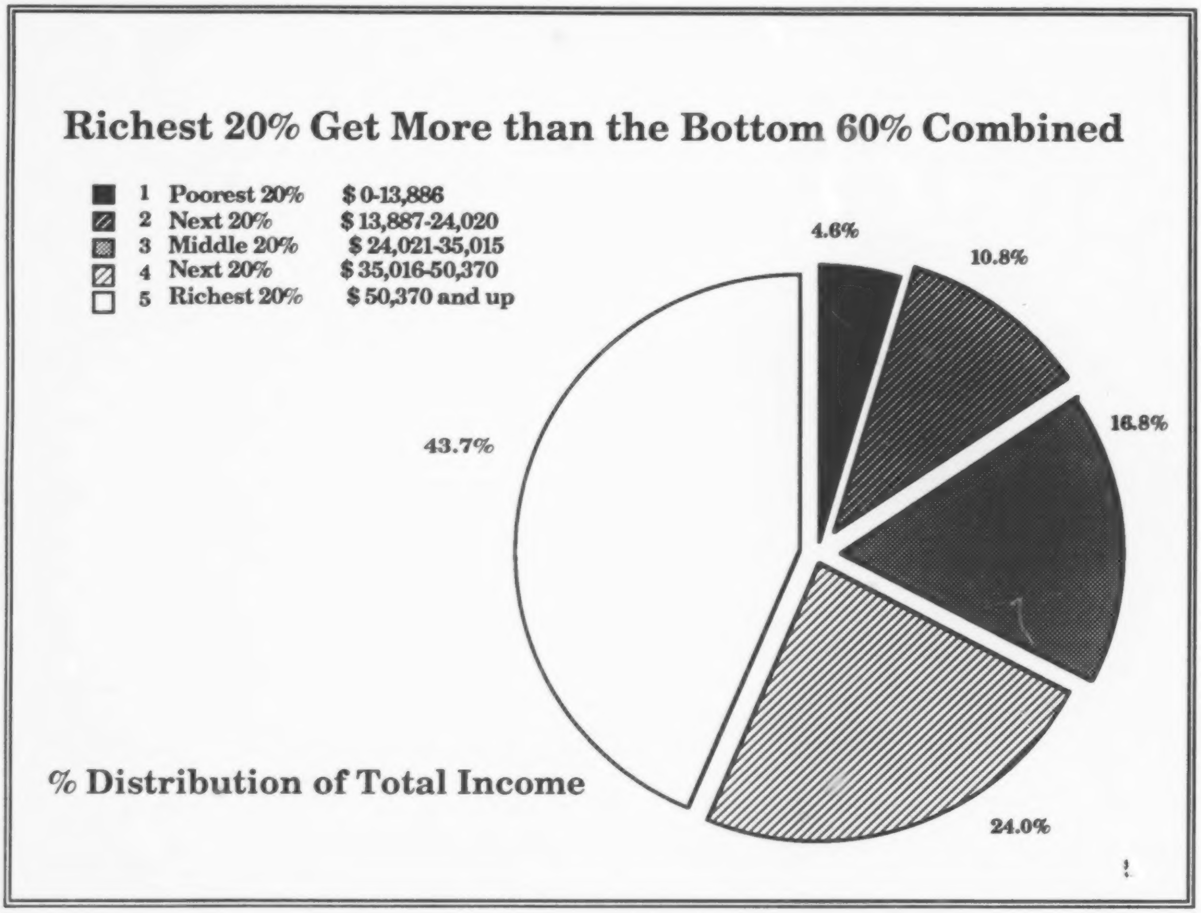
UNDERGROUND ECONOMY consists of work which is illegal or underground. For instance, work done "off the books" so people do not report the income they earn to the Internal Revenue Service, illegal work such as selling drugs, or prostitution all are part of this sector. It is also called the irregular economy.

UNDOCUMENTED WORKERS are workers who are not U.S. citizens and do not have a permit to work in the U.S.

WELFARE STATES are countries such as those in Scandinavia and Western Europe where the government provides many of the goods and services which in the U.S. are provided by private companies. For instance, most Western European countries have a nonprofit system of national health insurance, while the U.S. relies on Blue Cross.

Session 1
Worksheet 1

INCOME DISTRIBUTION GRAPH



Use this graph to think about the questions on page 39, and to complete the worksheets on pages 40 and 41.

Session 1
Worksheet 2

Questions To Help You To Think About the Income Distribution Graph

1. Do you think you/your family are

- well off

- poor

- about average

2. Look at the income distribution graph on Page 38. Where do you fit in? Are you surprised?

3. Do you own wealth--stocks, bonds, real estate? Does it give you income? If you or your family member lost your job, could you live on that income?

4. If you or your family member lost your job, what would you do?

Session 1 Worksheet 3

Family Economic Status Worksheet

This worksheet is for your personal use. It will help you to figure out where you or your family fit in the distribution of income and wealth.

Where Do I Fit?

Find yourself in the Income and Wealth Distribution graphs.

Are you near the top?

Near the middle?

Or at the bottom?

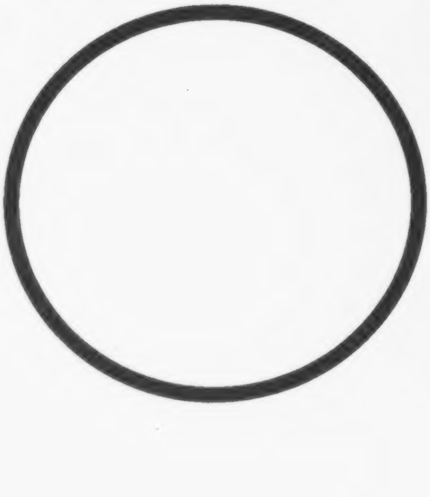
Are you surprised at where you are?

Where Does Your Income Come From?

Think of your annual income as a pie.

How much of your income comes from

- job earnings?
- wealth, for instance, interest and dividends?
- government?
- family members?



Draw each section in as the appropriate slice of the pie.

Session 1 Worksheet 4

How secure is your income?

Some sources of income are more secure than others. These questions will help you determine how secure your income is.

JOB EARNINGS

0 2 3 4 5

I could lose my job tomorrow

my job is guaranteed until retirement

WEALTH INCOME

0 2 3 4 5

I fear that my savings could be wiped out or I have almost none

I can count on my wealth to generate a secure income

GOVERNMENT

0 2 3 4 5

Politicians are talking about cutting my benefits

I'm sure of my benefits or I don't rely on government income

FAMILY MEMBERS

0 2 3 4 5

My family can't or won't support me

I can count on my family to support me

Suggested Questions for Research

1. What kind of jobs do women hold?
2. How are women of different races and educational levels employed?
3. How much do women earn--by job, by race, by educational level?
4. What kind of jobs are growing in your area? In which labor market sector? Are part-time and temporary jobs growing faster than full-time jobs?
5. How well are women of different races doing in obtaining the new jobs? How about younger women and older women? Women with high educational levels compared to women with less education?
6. Is unemployment high among women? Are women of color more likely to be unemployed than white women?
7. What is the cause of unemployment in your area? Has the nature or cause of unemployment changed in your area?
8. Are there unions in your area? What jobs are unionized? What percentage of union members are women? Are unions gaining or losing membership?

9.

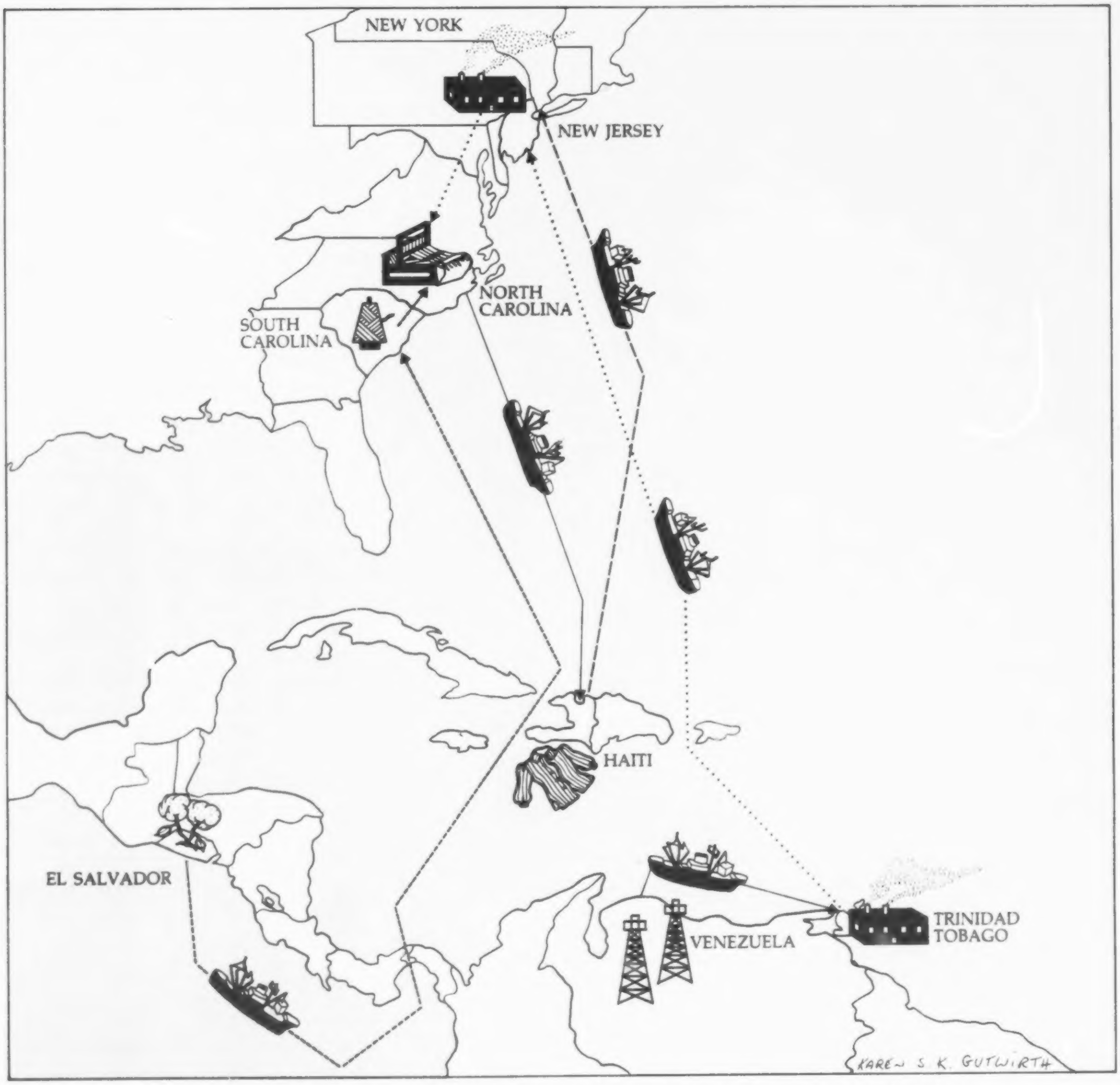
10.

11.

12.

THE JOURNEY OF THE BLOUSE: A GLOBAL ASSEMBLY LINE

by JOHN CAVANAGH


NEW YORK
NEW JERSEY
NORTH CAROLINA
SOUTH CAROLINA
HAITI
EL SALVADOR
VENEZUELA
TRINIDAD TOBAGO
KAREN S. K. GUTWIRTH

About half of all goods produced today journey to more than one country before they become finished products.

> *As the modern transnational corporation increasingly links our fate with workers around the world, toiling in far worse conditions than we, we can no longer remain silent.*

Pause for a moment and step back from the rush of daily life. Look down at the blouse you are wearing. It is an example of how workers around the world and international corporations are related to you. There is a good chance that the materials that comprise it have come through at least five countries before reaching you. Dozens of laborers working under very different conditions have been affected by your purchase. What is true of your blouse is true of much of the rest of what you buy. About half of all goods produced today have journeyed to more than one country before you purchased them.

Why does this happen? Why transport fibers and yarn and cloth thousands of miles to produce a simple blouse? Who gains in the process and who loses?

Let us trace the route of a typical 35 percent cotton/65 percent polyester blouse over its global assembly line.

The blouse's journey begins in two different countries. One place of its origin is the cotton plantations of El Salvador. In a province plagued by civil war, workers toil long days in the sun harvesting cotton. These men and women are often exposed to pesticide sprayings in doses far above what is considered healthy, yet they get no medical care. The government has diverted millions of *pesos* (Salvadoran currency) from health and literacy programs into weapons. The workers earn about two dollars per day, less than one percent of the final value of your blouse.

Once ginned (seeded) and baled, the cotton is shipped to port. Cargill, the world's largest trading company and one of the 50 largest firms in the world, ships the cotton through the Panama Canal and up the southeastern coast of the United States. Cargill's representative knows the prices of cotton and most other commodities at every point of sale in the world. The company's bargaining position vis–a–vis the Salvadoran landowner is ridiculously strong.

The cotton is unloaded on the docks of a port in South Carolina, where ownership again changes hands. The new owner, Burlington, the largest textile company in the United States, loads the cotton into trucks for a short trip to its South Carolina spinning mills.

While Cargill's ships plow through Caribbean waters, another part of the blouse is beginning its journey a few hundred miles to the south in Venezuela. Polyester, like many plastics, fertilizers and detergents, is made from petroleum. Workers in the oil fields off Venezuela's coast toil under skies even hotter than in El Salvador for around six dollars per day. Without the federal safety standards U.S. oil workers have won, the job is dangerous, with disfiguring accidents not uncommon.

After pumping and refining the oil, the Venezuelan state oil company sells it to Exxon, the world's largest oil company. When oil prices quadrupled in 1973, Exxon reaped billions of dollars more than Venezuela because Exxon controlled processing, marketing and final distribution of petroleum, the most lucrative parts of the production and marketing chain.

Exxon drops the oil off at one of its refineries in Trinidad and Tobago, the small island nation at the southern tip of the Caribbean chain. Here, in conditions as dangerous and unhealthy as in Venezuela, refined petroleum is taken through a further stage of processing into petrochemicals.

Loading the petrochemicals onto another ship, Exxon charts a different route through the Caribbean, heading northwest toward New Jersey. Once in port, Exxon transfers the liquid petrochemicals to its trucking fleet, which carries the stock to an ultra–modern Du Pont factory not far away. Watched by Du Pont technicians, the petrochemicals are propelled through sophisticated machines, emerging as miles of continuous filament.

The polyester filament is taken from the plants in New Jersey to a Burlington low–wage textile mill in North Carolina. At the same time, Burlington loads its cotton yarn into trucks for the short journey from its spinning subsidiary in South Carolina to this same weaving subsidiary in North Carolina. On high–powered looms, threads from combining the filament and cotton yarn are

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John Cavanagh, a former United Nations official, is a fellow at the Washington, D.C.–based Institute for Policy Studies.

woven into long sheets of fabric ready for the cutting table.

At this stage of production a retailer, such as Sears, who eventually sells the blouse, buys the cloth. The retailer then contacts its agent in Haiti and gives specifications for the blouse. The cloth is shipped from North Carolina on another Caribbean voyage, this time to Port-au-Prince, Haiti.

In Haiti, the cloth is transported to small sweatshops, Haitian-owned and run. Women being paid by the piece earn about three dollars a day. They bend over sewing machines for long hours stitching seams according to a company's version of the latest fashion. These workers have no union, and idle chatter about creating one may result in dismissal or worse.

The finished blouses begin their final voyage, leaving the Third World for the final time and coming to New York. Sealed in plastic, they are sent to mail order buyers all over the country.

Similiar global assembly lines are orchestrated from the conference rooms of the world's top 200 firms, which now jointly produce and trade about a third of the planet's goods and services. These firms, through higher profit margins, are the chief beneficiaries of the transnational form of business.

Workers across the United States are adversely affected by global assembly lines, as corporations use the threat of cheap imports to push wages down. Workers everywhere are the losers because they are played off against one another by the same group of large corporations.

What can we do? Besides educating our friends and supporting workers' rights everywhere, there are other actions we can take.

Recognizing that exploitation of workers overseas also hurts U.S. workers, Congress passed a new trade bill in 1984 that prohibits the United States from granting trade preferences to developing countries that violate internationally recognized workers' rights. The legislation spelled out certain general internationally recognized indicators such as the right to organize. Several human rights and labor groups have presented reports to the U.S. government on labor repression in countries like Haiti, Korea and the Philippines, arguing that these countries should not receive trade benefits until labor conditions improve.

A broad-based campaign should spread similar labor language to other pieces of U.S. legislation. Boycotts against specific corporate offenders should be supported. These are but a few of the measures that are needed. As the modern transnational corporation increasingly links our fate with workers around the world, toiling in far worse conditions than we, we can no longer remain silent.■

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GLOBAL DIVISION OF LABOR

PROFIT MOTIVE

US MILITARY POWER

RACIAL DISCRIMINATION

SEXUAL DIVISION OF LABOR

WHAT IS:
UNDERSTANDING THE ECONOMIC STRUCTURE

I understand the current economy as one in which

1. ownership of property is
2. people have their basic needs for food, clothing, and shelter met by
3. people's choice of work is determined by
4. decisions in the workplace are made by
5. production decisions--what goods and services are produced and in what quantity--are made by
6. the top priorities of the nation in the use of its resources are
7. the role of women is
8. the role of people of color is
9. income distribution is
10. the role of the United States in the international economy is
11. the role of the Third World in the international economy is
12. the actions of the United States government further the interests of
13. the interests of the powerless are
14. people are guaranteed the following economic rights

WHAT SHOULD BE:

ENVISIONING A JUST ECONOMY

I envision a just economy as one in which

1. ownership of property is
2. people have their basic needs for food, clothing, and shelter met by
3. people's choice of work is determined by
4. decisions in the workplace are made by
5. production decisions--what goods and services are produced and in what quantity--are made by
6. the top priorities of the nation in the use of its resources are
7. the role of women is
8. the role of people of color is
9. income distribution is
10. the role of the United States in the international economy is
11. the role of the Third World in the international economy is
12. the actions of the United States government further the interests of
13. the interests of the powerless are
14. people are guaranteed the following economic rights

Social Action--Determining Your Own Action Possibilities

This guidesheet will help you to participate in the Economic Justice Action Grid Activity by defining the various categories and modes in economic justice action.

MODES OF ACTION: What Can I Do?

PERSONAL LIFESTYLE CHOICES:	make choices about my personal life in light of my declared values
SERVICE:	participate in action to address the effects of economic injustice
EDUCATION:	spread information about the problem and help form a basis for commitment to action for change
ADVOCACY:	speak out about the problem to those who could make a difference
ORGANIZING:	get others involved in changing the situation--both those affected and those who have resources and power

Transformation Roles

How Can What I Do Help To Change Unjust Structures?

According to economist and futurist, James Robertson, the process of social transformation involves many people acting out of a shared vision in all arenas of life (family, business, school, church and synagogues, professional, civic and government,...) in one or more of the six transformation roles according to our own gifts and circumstances.

BUILDING THE NEW VALUE SYSTEM: A just society exhibits a new set of values (respect for each person, solidarity among all peoples, stewardship, non-violence, cooperation, participation). For these values to replace those of exploitation, patriarchy, competition, violence, consumerism, and exclusion, they must be internalized by many people. This calls on the skills of teachers, parents, preachers, artists, musicians, poets, and everyone involved in human development.

CHOOSING A LIFESTYLE CONGRUENT WITH ECONOMIC JUSTICE FOR ALL: A just economic society calls us to make lifestyle choices accordingly: Living simply, reordering priorities to make way for a more just distribution of goods and, modeling in the way we live the value system we espouse. Unless we do this there will be diminished potential for change, and for meeting the needs of those suffering want.

ENABLING ALTERNATIVE STRUCTURES TO EMERGE: Some people have to create new structures that will bring about the just society--the new ways of working and organizing the production and delivery of goods and services. Some are the innovators; others help get the resources to implement the new ideas--volunteering at the local food co-op, investing in self-help credit unions, helping get orders for a new woman-owned press.

TRANSFORMING EXISTING INSTITUTIONS FROM WITHIN: New values for the just society must re-shape the patterns of acting and relating within existing institutions. Decision-making in offices, classrooms, agencies, and churches must become more participatory, involving all who are affected. Reward systems must become more just, color-blind and gender-neutral. Conflicts must be settled nonviolently. Cooperation has to replace competition. Futurist, Robert Theobald, says: "To get revolutionary change, be evolutionary." Once people have experienced a new way the effects will ripple out and spread.

STRATEGIZING FOR HOW TO GET FROM HERE TO THERE: Some people have to design the process of change i.e., the strategies and tactics that will change patterns of behavior and the laws of the land. People must organize to participate in the strategies (e.g. voting campaigns, boycotts, demonstrations...). Special purpose organizations, campaigns, and long-term commitments to issues--all call for members contributing time and effort and money to organizing the constituency for change and mobilizing the effort in the economic and political arenas.

STANDING IN OPPOSITION TO WHAT GOES IN THE WRONG DIRECTION: One part of working for change is preventing policies and actions which reinforce the status quo or take us backward. So one of the transformation roles calls on change agents to be involved in saying "No!" to injustice even as they work for justice. Once situations have been identified as being unjust there is no such thing as being neutral. To be silent is to stand on the side of the status quo--the unjust reality, and to be complicit in it. As Edmund Burke put it, "All that is necessary for the forces of evil to triumph is for enough good people to be silent".

No one can say there is nothing she can do to contribute to the transformation of unjust structures. And together as women focused on the vision of a just society, we can carry out all of the transformation roles in all arenas of life.

Margaret Mead, the great student of human behavior has said: "Never doubt that a small committed minority can change the world. Indeed it's the only thing that ever has..."

ECONOMIC JUSTICE ACTION GRID

	Personal Choice	Service	Advocacy	Education	Organizing
Build a New Value System					
Choose a Lifestyle Congruent with a Just Society					
Enable Alternative Structures to Develop					
Transform Structures From Within					
Strategize on How to Get From Here to There					

BIBLIOGRAPHY/RESOURCES

Women and Economic Justice

This Bibliography with annotations was prepared by and is available from: **Resource Center for Women and Ministry in the South**, 200 E. Bessemer Avenue, Greensboro, N.C. 27401.

For Crying Out Loud: Women and Poverty in the US, Rochelle Lefkowitz and Ann Withorn (Pilgrim, 1986) **$12.95**
Anthology combining powerful personal accounts with systematic analysis of women and poverty.

The Economic Emergence of Women, Barbara Bergmann (Basic, 1986) **$19.95**
A basic survey of women's emergence from the home and their status in the workforce today. This economist argues that equality in the workplace will not be achieved until such demands as equal pay and day care are met.

Poverty in the American Dream: Women and Children First, Karin Stallard, Barbara Ehrenreich and Holly Sklar (South End, 1983) **$5.00**
Examines the "feminization of poverty" through firsthand interviews. Analyzes the impact of social service cutbacks, changes in the job market, and myths like the "Black Matriarchy" and "welfare creates poverty."

Toward Economic Justice for Women: A National Agenda for Change, Women's Economic Agenda Working Group (Institute for Policy Studies, 1985) **$4.00**
For more and more American women the job market no longer offers a way out of poverty or a way to economic self-sufficiency. This analysis reveals how the global assembly line, high technology, and military spending impoverish women.

Women . . . a World Survey, Ruth Leger Sivard (World Priorities, 1985) **$5.95**
Concise, easy-to-read, factual information on the situation of women in the world since 1950.

Women and Children Last: The Plight of Poor Women in Affluent America, Ruth Sidel (Viking, 1986) **$16.95**
This comprehensive work explores the impact of economic injustice on women and children.

Women and Poverty, ed. Gelpi, Hartsock, Novak, and Strober (Univ. of Chicago, 1986) **$10.95**
This essay, originally published in *Signs*, focuses on the deteriorating economic situation of women and raises issues about our social and political system.

Women in the Global Factory, Annette Fuentes and Barbara Ehrenreich (South End, 1983) **$4.75**
Explores the lives of women on the global assembly line. In countries where US corporations move in search of union-free, tax-free, unregulated environments, women are paid $3 to $5 per day. Examines the economic and political forces at work and highlights organizing by women around the world.

Women of the Rural South: Economic Status and Prospects, (Southeast Women's Employment Coalition, 1985) **$12.50**
A report on the lives of employed women in the rural South. Analyzes how changes in South's economic base are affecting women.

Religious Justice Statements

Directory of Religious Statements on Justice in the Economy, in *Centerpiece*. Issue #2, March 1988, from Center for Ethics and Social Policy/Graduate Theological Union, 2400 Ridge Road, Berkeley, CA 94709. (inexpensive)

Community Organizing/Education

From the Grass Roots, Social Action Commission, Diocese of Charlottetown, PEI Canada.

Describes a process of research and analysis call an Enquiry, based on the method of Paulo Freire, Brazilian educator, which was used by six groups engaged in struggles for social and economic justice on Prince Edward Island. It provides case studies of how groups on social assistance, women in the fishing industry, native people, and people involved in solidarity work with liberation movements in other countries overcame obstacles to empowerment by developing a critical awareness of the causes of injustice in their situation.
(Order from Social Action Commission, Box 1689 Charlottetown, PEI Canada C1A 7N4, $13.95 plus 10% for Shipping.)

Training for Transformation, A. Hope, S. Timmel, C. Hodzi.

A three volume handbook for community workers demonstrating theories, codes, and exercises used effectively with groups in Africa over a twelve year period. Part I is basically the theory of Paulo Freire on developing critical awareness and how to put this theory into practice. Part II is focused on the skills necessary for participatory education. Part III deals with the social analysis necessary to develop critical awareness and long people's movements. (Mambo Press, Zimbabwe, 1984. Available from Grailville Bookstore, 932 O'Bannonville Rd. Loveland Ohio 45140, $21.00 complete, including postage).

The Women's Economic Justice Agenda: Ideas for the States, by the National Center for Policy Alternatives.

Analysis of economic problems faced by women, with extensive suggestions for policy solutions and strategies for getting state legislation passed. Excellent source of concrete action ideas. Focuses on states as incubators for policies of change which can also be taken to Washington as state leaders move into Congressional seats. Useful for Economic Literacy study groups for planning action and as general resource for activists. 248 pages. Order from: The National Center for Policy Alternatives, 2000 Florida Avenue, N.W., Washington, D.C., 20009, Telephone (202) 387-6030. Price: $12.95

The American Profile Poster, by Stephen J. Rose, 1986.

A 20" by 33" colorful poster depicting income, wealth, occupation and family status of US population, with accompanying text of 37 pages, interpreting the figures, sources and significance. Brings together the complex and confusing statistics of American life - who owns what, who makes how much, who works where, who lives with whom into a single graphic that can explain at a glance the basic shape of our society. Order from Pantheon Books, Educational Department, 201 East 50th Street, 28th Floor, New York, NY 10022 or call 1-800-638-6460, Price: $5.95.

No Way Out, Working Poor Women in the United States, National Commission on Working Women of Wider Opportunities for Women

A clear, concise, fact-laden analysis of why women work and are still poor. It connects women's poverty to factors in the economy and calls for strategies to enable women to earn a living wage. This 28 page booklet makes specific recommendations of what employers, legislators, union leaders, educators and media representatives can do. Order from: National Commission on Working Women, 1325 G Street NW, Lower Level, Washington, D.C. 20005 (202) 737-5764, Price: $7.50.

Supplemental Materials

Atwood, Margaret The HandMaid's Tale.

Shortridge, Barbara G Atlas of American Women, Macmillan, 1987.

Videotapes

"A Woman Named Mary: the Feminization of Poverty," Augsburg

"Gentle, Angry People," Washington, DC: Commission on Women, Catholic Charities

"Women - for America, for the World," Berkeley, CA: Education Film and Video Project

Video: Women of Steel - 28 minutes $50 rental -
Women Make Movies Inc. 225 Lafayette St., NYC 10012 (212) 925-0606

Music

"Mothers, Daughters, Wives," Ronnie Gilbert, Spirit Is Free.

"Hand Me Down My Jogging Shoes," Ronnie Gilbert, Singing With You.

"I Come of My People," Carolyn McDade, Rain Upon Dry Land.

"Song of Community," Carolyn McDade, Rain Upon Dry Land.

NOTES

RNEW

**THE RELIGIOUS NETWORK FOR
EQUALITY FOR WOMEN**

**National Office: 475 Riverside Drive, Room 812A,
New York, NY 10115 (212) 870-2995**

ECONOMIC LITERACY PROGRAM

EVALUATION

When you complete this program, RNEW would like to hear from you. Please answer the following questions and return to the above address. Use additional sheets if necessary.

1. Which of the six sessions did you find the most useful to you?

Why?

Which session was least useful?

Why?

2. What did you enjoy most in the six session process?

3. What did you find most difficult?

4. What in the Economic Reader were you glad to learn?

5. What was your overall reaction to the Economic Reader?

6. Is there a way you can work in your own community or region on economic problems?

Follow-up

1. Is your group planning further education in economic literacy?

2. Would you like to know about the other groups in the country?
____ check if you wish to receive information

(If your answer is yes, please check the following:)

___ groups who used this program?

___ groups working on economic issues?

___ groups with whom you could network and exchange resources for education and action.

Comments:

____

____

Name ________________________ Phone ____________

Address __________________________________

City ______________ State __________ ZIP ________